

Exhibit B

DELPHI

***IMPORTANT DELPHI SAVINGS-STOCK
PURCHASE PROGRAM
INFORMATION ENCLOSED***

Summary of Material Modifications

Dear S-SPP participant:

The Delphi Savings-Stock Purchase Program (S-SPP), dated January 1, 2004, has been updated to include the recent changes to the Program. The principal changes are outlined below:

- Currently, Delphi contributes to your account an amount equal to \$.30 for every dollar of Basic Savings, up to 7% of annual base salary.
- The annual limit on before-tax savings has been raised to a maximum of \$13,000 in 2004. To immediately take advantage of the increase, elect your deferral percentage change online at www.delphi401k.com. Of course, deferral percentage elections may be changed at any time.
- The Catch-Up contribution is an additional voluntary before-tax election for employees who are or reach age 50 during a given calendar year. Employees should reference the "My Life" page of my.delphi.com to review the most current detailed information regarding the Catch-Up contribution election process for the S-SPP. The annual Pre-Tax Contribution and Catch-Up contribution limits are outlined below.

Annual Before-Tax Contribution Limit			
Year	Under Age 50 \$	Annual Catch-Up Contribution Limits \$	Age 50 or Over* (Includes Catch-Up Contributions) \$
2004	\$13,000	\$3,000	\$16,000
2005	\$14,000	\$4,000	\$18,000
2006	\$15,000	\$5,000	\$20,000

* Catch-up contributions may only be made by participants age 50 or over if such participants are restricted by a limit described in this Prospectus.

- The claim denial procedures have been amended to conform to new regulations issued by the Department of Labor. In addition to these changes, Delphi has adopted a one-year limitation period during which legal actions relating to claims for benefits must be brought.
- Effective January 1, 2004, the spousal beneficiary of a deceased participant may initiate a loan from the plan.
- Effective January 1, 2004, your maximum employee contributions percentage has been increased to 60% of your eligible earnings.

The specified annual interest rate for assets invested in the Promark Income Fund is determined quarterly. The rate for the fourth quarter of 2003 was 5% on an effective annual basis. For future quarterly rates, log on to www.delphi401k.com or call a service representative at the Delphi Investment Service Center at 1-877-389-2374.

- Electronic Loan Payment

In the first half of 2004 the Electronic Loan Payment service will be offered. This service allows you to make loan payments electronically by transferring funds from your personal bank account to your S-SPP account. You may use the service to make partial payments and full payoffs; inactive participants may use it as an alternative to loan coupons. The Electronic Loan Payment service has been referred to by several names including ACH, EFT and Direct Debit. All refer to a service that enables you to make loan payments electronically by authorizing Fidelity to debit your checking or savings account and deposit the funds into your SSPP account. To take advantage of this convenient repayment method, log on to www.delphi401k.com, click on the "Accounts" tab and from the left hand menu select "Loans" under "Account Management", from there click on the "Bank Information" tab in the upper right corner of the page. Or you may call the Investment Service Center at 1-877-389-2374.

- Portfolio Rebalance—Balancing Your Investment Choices

Selecting your S-SPP investment choices means not only choosing the investment options, but also deciding what percentage of your account balance you want in each of the investment options you select.

Portfolio Rebalance is a tool within www.delphi401k.com that allows you to more easily rebalance the asset mix of your account in a single, simple transaction. When you select the Portfolio Rebalance option, you'll be taken to a menu of the investment choices available through the S-SPP, where you can choose what percentage of your account balance you'd like invested in each investment fund.

After making your investment elections, your current fund balances will be rebalanced according to your desired percentages. In other words, your fund balances will automatically be exchanged into or out of the investments in the proportions you've elected. This Portfolio Rebalance feature, however, does not provide on-going automatic rebalancing.

To access Portfolio Rebalance, go to www.delphi401k.com and click on the "Access my Account" tab, log on to your account and click on the "Accounts" tab. Then click on the "Rebalance" link on the left side of the screen.

Keep in mind that the Portfolio Rebalance feature does not affect your future contributions S-SPP account. New contributions made by you into your S-SPP account will continue to be invested based on your designated investment elections and such investment elections will remain in effect until you change them.

You still need to review your S-SPP account periodically because your investment choices may perform differently over time, and your percentages may vary from what you intended.

Please read this Prospectus and keep it on file for your future reference. It contains important information about the Program.

DELPHI CORPORATION

DELPHI

PROSPECTUS AND SUMMARY PLAN DESCRIPTION

This document constitutes part of a prospectus covering securities that have been registered under the Securities Act of 1933, as amended.

DELPHI CORPORATION

COMMON STOCK
(\$0.01 Par Value)



This Prospectus relates to shares of stock that Delphi Corporation will offer and deliver under the

**DELPHI CORPORATION
SAVINGS-STOCK PURCHASE PROGRAM
FOR SALARIED EMPLOYEES IN THE UNITED STATES**

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Delphi Corporation has not authorized anyone to provide you with information that is different from the information contained in this Prospectus or in the documents which are a part of this Prospectus through incorporation by reference. You should not assume that the information in this Prospectus is accurate as of any date other than the date of this Prospectus, unless otherwise indicated in this Prospectus.

The date of this Prospectus is January 1, 2004.

TABLE OF CONTENTS

	Page
GENERAL INFORMATION	3
DOCUMENTS INCORPORATED BY REFERENCE.....	3
AVAILABLE INFORMATION.....	4
THE PROGRAM.....	4
Investment Service Center.....	4
Eligibility.....	5
Employee Contributions.....	5
Employer Contributions	7
Rollover Contributions from Other Plans	7
Trust to Trust Transfers	8
Trust Fund.....	8
Formation of Classes and Vesting	8
Investment of Contributions	8
Your Responsibility for Election of Investment Options	8
Information About Your Investment Options.....	9
Description of Investment Options.....	13
Miscellaneous Information About Investment Options	34
Fund Exchanges	35
Loans	36
Withdrawals and Distributions.....	37
Tax Considerations.....	40
Source of Delphi Common Stock Acquired for the Program	43
Employee Retirement Income Security Act of 1974, as Amended	43
Voting or Tendering of Delphi Common Stock, General Motors \$1-2/3 Par Value Common Stock, Hughes Common Stock, EDS Common Stock, and Raytheon Company Common Stock	43
Special Provisions Regarding Veterans	44
Miscellaneous	44
Reference to Full Text.....	46
ADMINISTRATION	46
LEGAL OPINION	47
EXPERTS	47

GENERAL INFORMATION

The principal executive offices of Delphi Corporation ("Delphi," or the "Corporation") are located at 5825 Delphi Drive, Troy, Michigan 48098.

Delphi, on behalf of itself and as agent for certain of its directly or indirectly wholly-owned and substantially wholly-owned subsidiaries, established the Delphi Corporation Savings-Stock Purchase Program for Salaried Employees in the United States (the "Program") effective January 1, 1999 as amended, which consists of the "Complete Text" entitled "Delphi Savings-Stock Purchase Program for Salaried Employees in the United States."

References in this Prospectus to the "Program" and to the "Complete Text" mean references to the "Delphi Savings-Stock Purchase Program for Salaried Employees in the United States."

Capitalized terms used in this Prospectus and not otherwise defined herein have the meaning specified in the "Complete Text." The foregoing statements are summaries of certain provisions of the Program. They do not purport to be complete. The complete text, which is available to participants upon request, governs all aspects of the Program.

The purpose of the Program is to facilitate the accumulation of savings by you and other eligible employees and to provide such employees with an opportunity to acquire an equity investment in Delphi.

DOCUMENTS INCORPORATED BY REFERENCE

The Securities and Exchange Commission (the "SEC") permits Delphi to "incorporate by reference" information into this Prospectus. This means that we can disclose important information to you by referring you to another document that Delphi files separately with the SEC. You should consider the information which Delphi has incorporated by reference to be a part of this Prospectus, except to the extent that the information actually contained in this document replaces such other information. This Prospectus incorporates by reference the documents listed below that Delphi has previously filed with the SEC. These documents contain important information about Delphi and its finances.

- The annual report on Form 10-K for the year ending December 31, 2002, as amended, which Delphi filed pursuant to Section 13 of the Securities Exchange Act of 1934, as amended (the "Exchange Act").

- The quarterly reports on Form 10-Q and the current reports on Form 8-K, which Delphi has filed since December 31, 2002, pursuant to Section 13 of the Exchange Act.
- The annual report on Form 11-K for the fiscal year ended December 31, 2002, filed by the Program pursuant to Section 15 of the Exchange Act.
- The description of Delphi Common Stock, contained in Article Fourth of the Delphi Restated Certificate of Incorporation, which Delphi filed as Exhibit 3.1 to its Registration Statement on Form S-1 dated January 2, 1999, and any amendment or report which Delphi files for the purpose of updating that information.
- The "Complete Text" of the Program entitled "Delphi Savings-Stock Purchase Program for Salaried Employees in the United States."

In addition, through the Program, you may hold shares of General Motors Corporation ("General Motors" or "GM") common stock, \$1-2/3 par value ("GM \$1-2/3 par value common stock"), Hughes Electronics Corporation ("Hughes") common stock, \$0.01 par value ("Hughes common stock"), American depositary shares representing four preferred limiting voting ordinary shares ("News Corp Preferred ADSs") of The News Corporation Limited ("News Corporation" or "News Corp"), or, in certain instances, Electronic Data Systems Corporation ("EDS") common stock, \$0.01 par value ("EDS common stock") and Raytheon Company ("Raytheon") common stock, \$0.01 par value ("Raytheon common stock"). The following descriptions of such securities are incorporated by reference into this Prospectus:

- The description of GM \$1-2/3 par value common stock contained in Article Fourth of the GM Restated Certificate of Incorporation, as amended, which GM filed as Exhibit 99.2 to its Current Report on Form 8-K dated December 22, 2003, filed December 30, 2003, pursuant to Section 13 of the Exchange Act, and any amendment or report that GM files for the purpose of updating that information.
- The description of Hughes common stock contained in Section 3 of Article IV of the Hughes Amended and Restated Certificate of Incorporation, as amended, which Hughes filed as Exhibit 99.2 to its Current Report on Form 8-K dated December 22, 2003, filed December 22, 2003, pursuant to Section 13 of the Exchange Act, and any amendment or report that Hughes files for the purpose of updating that information.
- The description of News Corp Preferred ADSs contained in the "News Corporation Capital Stock" section of the prospectus contained in the F-4 Registration Statement filed August 21, 2003 under the Securities Act, and any amendment or report that

News Corp files for the purpose of updating that information.

- The description of EDS common stock contained in the "EDS Capital Stock" section of the proxy statement contained in Amendment No. 2 to the Form S-4 Registration Statement filed April 22, 1996, pursuant to Section 14 of the Exchange Act, and any amendment or report that EDS files for the purpose of updating that information.
- The description of Raytheon common stock contained in Amendment No. 4 to the Form S-4 Registration Statement filed November 10, 1997, pursuant to Section 14 of the Exchange Act, and any amendment or report that Raytheon files for the purpose of updating that information.

In addition, this Prospectus incorporates by reference all documents and reports which Delphi or the Program, files after the date of this Prospectus pursuant to Section 13(a), 13(c), 14, or 15(d) of the Exchange Act prior to the time that Delphi files a post-effective amendment which indicates that it has sold all securities offered by this Prospectus or which deregisters all remaining unsold securities.

If you are eligible to participate in the Program and you would like a copy of any of the documents listed above, Delphi will provide them (without Exhibits) to you at no charge. To request any of these documents, you should write or telephone the location indicated below.

Delphi Corporation
Employee Benefits, Savings Plans
5825 Delphi Drive
Mail Code 480-410-104
Troy, Michigan 48098
Telephone Number: 1-877-389-2374

AVAILABLE INFORMATION

Delphi, GM, Hughes and News Corp., as applicable, file annual, quarterly, and special reports, proxy statements, and other information with the SEC. You may read and copy any reports, proxy statements, and other information filed with the SEC at the SEC's public reference rooms in:

- Washington, D.C. (450 Fifth Street, N.W. Washington, D.C. 20549)
- Chicago (Citicorp Center, 500 West Madison Street, Suite 1400, Chicago, IL 60661)
- New York (233 Broadway, New York, NY 10279)

You may obtain information on the operation of the public reference rooms by calling the SEC at 1-800-SEC-0330. You also may read these reports, proxy statements, and other information at the offices of the following stock exchange:

- New York Stock Exchange (11 Wall Street, New York, NY 10005)

The above materials also can be read on the Internet at the SEC website at <http://www.sec.gov>. We are not incorporating the contents of the SEC website into this Prospectus.

THE PROGRAM

INVESTMENT SERVICE CENTER

Many aspects of recordkeeping and transaction processing related to the Program are centralized and performed in their entirety by the Investment Service Center, a centralized facility consisting of an Internet website, a touch-tone voice response telephone system, as well as a staff of service representatives. Fidelity Institutional Retirement Services Company ("Fidelity") provides the services for the Investment Service Center.

In this regard, if you have an account in the Program, you must establish a confidential Personal Identification Number ("PIN"). If you do not yet have a PIN, call the Investment Service Center, toll-free, at 1-877-389-2374. Your access to the services offered through the Investment Service Center is available only when you have a PIN (see "Miscellaneous, Confidential Information").

You may access your account information and initiate certain transactions at work on the Delphi Intranet (Apollo) or on the Internet from home at www.delphi401k.com. You also may access your account information and initiate transactions by calling the Investment Service Center, toll-free, at 1-877-389-2374.

If you are calling from outside the United States or Canada, you may call collect by obtaining an AT&T Direct access number by visiting <http://www.att.com/traveler>, by calling 1-800-331-1140 for a list of country codes, or by asking the local operator. After you dial your AT&T Direct access number, enter 877-833-9900 to reach your Plan account information.

TTY service for the hearing or speech impaired is available by calling 1-800-655-0969.

Transactions initiated by you and confirmed before the close of business of the New York Stock Exchange ("NYSE"), normally 4:00 p.m. Eastern Time ("E.T."), on a Business Day are processed at the Fund's closing price on that Business Day. For purposes of this Prospectus, "Business Day" means any day the NYSE and, as to the Promark Funds managed by General Motors Trust Bank, National Association ("GM Trust Bank" or "GMTB"), GM Trust Bank is open for business and, with respect to assets held in a fund, on which subscriptions, redemptions, and exchanges for the fund have not been suspended or restricted. Transactions initiated by you and confirmed

after the close of business of the NYSE, normally 4:00 p.m. (E.T.) on any Business Day, on a weekend or holiday observed by the NYSE, or a day when subscriptions, redemptions, and exchanges of your fund(s) have been suspended or restricted, are processed at the fund's closing price for the next Business Day.

GENERAL MOTORS INVESTMENT MANAGEMENT CORPORATION ("GMIMCo" OR "GM INVESTMENT MANAGEMENT") AND GM TRUST BANK RESERVE THE RIGHT TO MODIFY OR SUSPEND THE RIGHT TO EFFECT TRANSACTIONS, INCLUDING SUBSCRIPTIONS, REDEMPTIONS, AND EXCHANGES, AT ANY TIME, IN RESPONSE TO MARKET CONDITIONS OR OTHERWISE. FURTHERMORE, FIDELITY AND THE OTHER MUTUAL FUND PROVIDERS RESERVE THE RIGHT TO MODIFY OR SUSPEND SUBSCRIPTIONS, REDEMPTIONS, AND EXCHANGES AS DESCRIBED IN THEIR PROSPECTUSES, WHICH MIGHT IN TURN DELAY YOUR EXCHANGES TO OR FROM THE PROMARK FUNDS OR THE COMPANY STOCK FUNDS. NEITHER DELPHI, GMIMCo, GMTB, THE OTHER FUND MANAGERS, THE INVESTMENT ADVISORS NOR THE TRUSTEE SHALL BE RESPONSIBLE FOR ANY ECONOMIC IMPACT (INCLUDING CHANGE IN MARKET VALUE) RESULTING FROM ANY SUCH SUSPENSION OR MODIFICATION. SEE ALSO "FUND EXCHANGES" AND "WITHDRAWALS AND DISTRIBUTIONS" FOR MORE INFORMATION.

THE INVESTMENT SERVICE CENTER TELEPHONE VOICE RESPONSE SYSTEM, AS WELL AS THE PROGRAM'S INTRANET AND INTERNET WEBSITES, ARE USUALLY AVAILABLE TO YOU 24 HOURS EACH DAY; HOWEVER, SERVICE AVAILABILITY DURING THESE TIMES IS NOT GUARANTEED. NEITHER FIDELITY NOR DELPHI WILL BE RESPONSIBLE FOR ANY LOSS YOU MAY INCUR AS A RESULT OF THE SERVICE BEING UNAVAILABLE, OR IF EXECUTION OF THE TRANSACTION IS DELAYED FOR ANY REASON, INCLUDING MARKET DISRUPTION. YOU MAY SPEAK WITH INVESTMENT SERVICE CENTER REPRESENTATIVES BETWEEN 8:30 A.M. AND 12:00 MIDNIGHT (E.T.) MONDAY THROUGH FRIDAY (EXCEPT HOLIDAYS).

ELIGIBILITY

You may participate in the Program only if you are considered by Delphi to be a "regular" employee of Delphi. "Regular" employees include only persons compensated fully or partly by salary and/or commission who are not represented by a labor organization (unless they are eligible through understandings reached between Delphi and their collective bargaining representatives) who are working in the United States or Puerto Rico or who are citizens of, or domiciled in, the United States and who are sent to work in foreign operations by Delphi on a temporary basis. If you are classified by Delphi as a "part-time" employee, a "regular employee—temporary assignment,"

a "flexible service employee," a "temporary employee," or a "cooperative student employee hired before January 1, 1999," you also are eligible to participate in the Program.

If you are an employee classified as a "leased employee" (as determined under the Federal tax law) or you are an employee of any directly or indirectly wholly-owned or substantially wholly-owned subsidiary of Delphi, you are not eligible to participate unless employees of your subsidiary are specifically approved for inclusion in the Program by the Delphi Board of Directors. If you are an employee of Delphi classified as a "contract employee," a "bundled services employee," a "consultant," a person who the Corporation does not consider to be an employee, or other similarly situated individual, or an individual who represents himself/herself to be an "independent contractor," regardless of whether you are a common law employee of the Corporation, you are not eligible to participate in the Program. If you are a "cooperative student employee" of the Corporation, hired on or after January 1, 1999, you are not eligible to participate in the Program.

You are eligible to participate in the Program as of the first day of the month coinciding with or next following the completion of six months of employment. If you are a Delphi employee who transitioned from General Motors before May 28, 1999, or if you transferred prior to January 1, 2002, pursuant to the Employee Matters Agreement, your General Motors employment counts toward all service requirements under the Program. If you are a previously eligible employee who returns to work after having been ineligible to participate following an earlier date of termination of employment with Delphi, you may immediately participate upon your return.

If you are on a Delphi approved disability leave of absence, or certain special leaves of absence, you remain eligible to accumulate savings for up to six months while you continue to receive eligible salary continuation payments on such leaves. If your Delphi service date is on or after January 1, 2001, you are not eligible to accumulate savings while you are on a disability leave.

Your participation in the Program is entirely your choice. Delphi does not require you to participate. You may discontinue or change your participation at any time.

EMPLOYEE CONTRIBUTIONS

In general, if you are a Delphi employee working in the United States (including Puerto Rico) who is not compensated in whole or in part on a commission basis, the term "eligible salary" includes your regular base salary. If you are a temporary employee, or an eligible cooperative student employee, regular base salary means your hourly rate of pay times straight-time hours worked during a pay period. The term "eligible salary" includes Deferred Savings (the amount of before-tax contributions made by

Delphi pursuant to the Deferred Savings feature of the Program). Additionally, the term "eligible salary" includes amounts contributed on a before-tax basis to Delphi's Options! flexible benefits program for Salaried Employees in the United States. The term "eligible salary" excludes:

- any Delphi matching contributions (reinstated on February 1, 2003)
- any 1% Delphi Benefit Contribution
- commissions
- drawing accounts
- bonuses
- incentive payments
- overtime and night shift payments
- seven-day operation premiums
- any other special payments, fees, awards, and allowances
- any amounts that are deducted from base salary and paid for other than working (i.e., sickness and accident benefits and payments while on leave)

Federal law provides that for purposes of the Program, your "eligible salary" may not exceed \$205,000 per year (an amount that is periodically adjusted under Federal regulations). If you are an eligible employee compensated in whole or in part on a commission basis, your "eligible salary" includes the greater of (1) your regular base salary or (2) a salary equivalent as determined by a committee appointed by the Delphi Board of Directors.

As long as you are eligible, there are four different ways for you to participate in the Program. Your payroll deductions for both the Deferred Savings (before-tax) and Regular Savings (after-tax) features of the Program must be in whole percentages of your eligible salary (rounded down to the nearest whole dollar).

- (1) You may elect to contribute on a before-tax basis (this manner of employee participation is referred to as "Deferred Savings"). The Deferred Savings feature of the Program is offered pursuant to Section 401(k) of the Internal Revenue Code of 1986, as amended (the "Code"). If you elect to participate in the Deferred Savings feature of the Program, you are agreeing to a reduction in compensation of an amount which you designate, up to the lesser of (a) \$13,000 for 2004 (an amount that is periodically adjusted under Federal regulations) or (b) 60% of your eligible salary for a calendar year. Simultaneously, Delphi agrees to contribute to your Program account, on your behalf, an amount exactly equal to the amount of your salary reduction up to The Basic Savings rate of 7%. Additionally, if you are age 50 or over, or will attain age 50 by the end of the year, you may be eligible to make "Catch-Up" contributions to your account to the extent allowed by

Federal law. Catch-Up contributions may only be made on a before-tax basis and only after your contributions become subject to limitations (e.g., the limitation on Deferred Savings contributions, \$13,000 in 2004). See "Tax Considerations" for additional information about contributions to the Program. The maximum amount of Catch-Up contributions you may be eligible to make per year will be based on the following schedule: \$3,000 in 2004, \$4,000 in 2005, \$5,000 in 2006, and thereafter indexed for inflation in \$500 increments. In order to be eligible to make Catch-Up contribution elections, a participant must maximize their matchable Basic Savings rate (currently 7% before-tax or after-tax) as well as meet plan and age requirements. Deferred Savings contributions vest immediately and are non-forfeitable.

Deferred Savings contributions can only be made through salary reductions or as noted below in (3) and (4). See "Tax Considerations" for a discussion of the tax effects if you elect to participate in the Deferred Savings feature of the Program.

- (2) You may elect to contribute to your account, on an after-tax basis, up to 60% of your eligible salary (this manner of participation is referred to as "Regular Savings"). This contribution may only be made through payroll deductions.
- (3) Eligible employees may elect, instead of receiving a distribution amount from the Delphi Corporation Incentive Compensation Program for Eligible Classified Salaried Employees in the United States, to have Delphi contribute 100% of the cash portion of your total Incentive Compensation Program Payout to your Program account. Your election to take cash or to have Delphi contribute the cash portion of your Incentive Compensation Program Payouts to your Program account remains in effect until you change it. Incentive Compensation Program Payouts contributed by Delphi are made in accordance with Section 401(k) of the Code, vest immediately and are non-forfeitable.
- (4) Eligible employees may elect, instead of receiving a Flexible Compensation Payment ("Flex Payment") from Delphi, to have Delphi contribute 100% of your Flex Payment to your Program account in 24 equal installments (or fewer if such flexible installment payments terminate), during any calendar year a Flex Payment is made by Delphi. To the extent allowed by Federal law, the Flex Payment you elect to have contributed by Delphi is made on a before-tax basis; otherwise, such amounts are contributed on an after-tax basis.

Your Deferred Savings, including contributions from an Incentive Compensation Program Payout and/or Flexible Compensation Payment, may not exceed \$13,000 for 2004 (this amount is adjusted periodically under Federal

regulations). Once this before-tax limit is reached, your S-SPP deferral percentage will automatically be taken on an after-tax basis. You must elect to stop the after-tax deduction by initiating a change online at www.delphi401k.com or by calling the Investment Service Center at 1-877-389-2374. Furthermore, any catch up election made during 2003 will automatically be carried over to the 2004 plan year. If you do not wish to have your catch up contribution election carry over to 2004 you must elect to stop the catch up deduction by initiating a change online at www.delphi401k.com or by calling the Investment Service Center at 1-877-389-2374. Any amounts exceeding \$13,000 (as may be adjusted) must be contributed as Regular Savings unless such amounts are Catch-up contributions as described in item (1) above. However, any Incentive Compensation Program Payout which is not permitted to be contributed as Deferred Savings in your Program account will be paid to you.

The four above described methods of contribution are referred to in this Prospectus as "employee contributions." You may elect to combine the first two contribution methods (Deferred Savings and Regular Savings), provided that together they do not total more than 60% of your eligible salary for any calendar year. An exception to this rule is if you are eligible for the Catch-Up contribution, however, your employee contributions may only exceed 60% of eligible salary by an amount equal to a Flex Payment and/or an Incentive Compensation Program Payout.

EMPLOYER CONTRIBUTIONS

Currently, Delphi contributes to your account an amount equal to \$.30 for every dollar of Basic Savings, up to 7% of annual base salary (referred to in this Prospectus as "matching contributions"). Delphi will not make any matching contributions with respect to your contributions in excess of Basic Savings (those savings in excess of "Basic Savings" are referred to in this Prospectus as "Additional Savings"). Delphi does not make any matching contributions with respect to contributions made to your account in lieu of any Incentive Compensation Program Payouts, Flex Payments, and/or Catch-Up contributions which are considered to be Additional Savings. Additionally, if you are a temporary employee Delphi does not make any matching contributions on your Basic Savings. Delphi's matching contribution may change from time to time.

Employees Hired on or After 1/1/1993 and Before 1/1/2001

If you are a regular employee who (1) has completed six months of service, (2) is eligible to participate in the Program, and (3) was hired or rehired for purposes of your "service date" on or after January 1, 1993, and prior to January 1, 2001, Delphi will automatically contribute on a monthly basis an amount equal to 1% of your eligible salary to your account (this amount is referred to in this Prospectus as the "1% Delphi Benefit Contribution"). If you

are eligible to receive the 1% Delphi Benefit Contribution, it is made because you receive different benefit treatment from Delphi than employees hired prior to January 1, 1993, or on and after January 1, 2001. If you are eligible to receive the 1% Delphi Benefit Contribution, it will be credited to your account whether or not you elect to otherwise participate in the Program. If you are rehired on or after January 1, 1993, with an adjusted service date prior to January 1, 1993, you will not be eligible to receive the 1% Delphi Benefit Contribution. If you are classified as a temporary employee, a flexible service employee, a contract employee, bundled services employee or independent contractor, or are a common law employee, you are not eligible to receive the 1% Delphi Benefit Contribution.

Employees Hired on or After 1/1/2001

If you are a regular employee (1) who has completed six months of service, (2) who is eligible to participate in the Program, (3) who was hired for purposes of your "service date" on or after January 1, 2001, Delphi will automatically enroll you in the S-SPP when eligibility commences (eligibility is the first day of the month coinciding with or next following the completion of six months of employment) at a 3% deferred savings contribution rate. As an employee, you may opt out of the Program at any time through the website at www.delphi401k.com or by calling the Delphi Investment Service Center at 1-877-389-2374. Similarly, you may also increase your participation rate at any time.

Employees hired on or after January 1, 2001, are not eligible for the 1% Delphi Benefit Contribution. However, employees rehired on or after January 1, 2001, with an adjusted service date between January 1, 1993, and January 1, 2001, will receive the 1% contribution.

Employees hired on or after January 1, 2001, are not eligible for the Flexible Compensation payment and, therefore, there is no deferral election into the S-SPP.

You may change your election to participate in the Program, or the percentage of your Regular Savings contribution rate or Deferred Savings contribution rate, at any time.

ROLLOVER CONTRIBUTIONS FROM OTHER PLANS

Once you are eligible to participate in the Program, you are permitted to make a rollover contribution to the Program of the cash proceeds received from a traditional Individual Retirement Account ("IRA"). Also, you may make a rollover contribution to the Program of the cash proceeds received from another eligible retirement plan. An "eligible retirement plan" includes a plan qualified under Section 401(a) of the Internal Revenue Code, including a 401(k) plan, profit sharing plan, defined benefit plan, stock bonus plan, and money purchase plan; a Section 403(a) annuity plan; a Section 403(b) tax sheltered annuity; and an eligible Section 457(b) plan maintained by a governmental employer. Additionally, cash proceeds received under a Qualified Domestic Relations

Order from any of the plans described above may be rolled over to the Program. Delphi matching contributions are not credited on any rollover contributions. Contributions of this kind must be made (1) by a "direct rollover," or (2) normally within 60 days from the date you receive a distribution. Such rollovers are designated as Unrestricted (assets in the Program which are not subject to the Required Retention Period) contributions.

TRUST TO TRUST TRANSFERS

The Administrator may direct the Program Trustee, currently, State Street Bank and Trust Company (the "Trustee"), to accept a transfer from, or to make a transfer to, a similar qualified plan, provided such plan (1) is maintained by an employer which is a member of Delphi's controlled group of corporations and (2) permits such transfers. Any funds so transferred must be in the form of cash and accompanied by written instructions from the Trustee identifying the employee and the source of funds. You may make no transfer until your outstanding loans in the Program are repaid and only if your account assets are fully vested. No such transfer to the Program can occur if the transferring plan provides (or at any time provided) benefits through an alternative form of distribution which are not available under the Program (such as annuities). No Delphi contributions are credited on any monies transferred to the Program. Such contributions made to the Program are designated as Unrestricted Regular Savings or Unrestricted Deferred Savings, as applicable.

TRUST FUND

The Trustee invests, on a semi-monthly basis, all your contributions and Delphi contributions made on your behalf. The Trustee accounts for all such amounts and earnings thereon.

FORMATION OF CLASSES AND VESTING

Classes under the Program are formed each calendar year. A class consists of all assets accumulated during a calendar year derived from your contributions, Delphi matching contributions, the 1% Delphi Benefit Contribution, and all earnings on such contributions.

Assets derived from your contributions, Delphi matching contributions, the 1% Corporation Benefit Contribution, and earnings thereon vest immediately on allocation to your account, except if you have less than three years of Credited Service, in which case, Delphi's matching contributions, the 1% Delphi Benefit Contribution, and related earnings thereon vest on January 1 following the calendar year in which a class is formed, or, if earlier, upon your attaining three years of Credited Service. However, if you are part of a divestiture, split-off, or spin-off and you have less than three years of Credited Service, all assets in your account shall be fully vested at the time of such transaction. Notwithstanding the above, all Delphi contributions vest on your 65th birthday.

INVESTMENT OF CONTRIBUTIONS

Delphi's and your contributions are invested by the Trustee. The Trustee invests Delphi's entire matching contribution and the 1% Delphi Benefit Contribution in the Delphi Common Stock Fund. Delphi contributions must remain invested in the Delphi Common Stock Fund during the period from January 1 through December 31 of the calendar year in which the class is formed. This one-year period is referred to as the "Required Retention Period." One-half of your contributions up to 7% of eligible salary is required to be invested by the Trustee in the Delphi Common Stock Fund and must remain in this Fund during the Required Retention Period. The remainder of your contributions are invested in 10% increments, in the Program's investment options elected by you.

Your initial or automatic investment option elections remain in effect until you change them. You may change an investment option election for contributions not required to be invested in the Delphi Common Stock Fund (referred to in this Prospectus as "discretionary contributions") on any Business Day, by an online exchange through the website at www.delphi401k.com or by calling the Investment Service Center at 1-877-389-2374. Any change in your investment option election is normally processed on the Business Day it is received by the Investment Service Center. For any year for which there is an Incentive Compensation Program Payout and/or a Flex Payment, and you elect to have them contributed to the Program, such contributions will be invested in the same investment option(s) elected by you for your current discretionary contributions, or, if you have no investment option election in effect, such contributions will be invested in the Promark Income Fund.

YOUR RESPONSIBILITY FOR ELECTION OF INVESTMENT OPTIONS

YOU ARE SOLELY RESPONSIBLE FOR THE SELECTION OF YOUR INVESTMENT OPTIONS. DELPHI, THE TRUSTEE, ANY APPOINTED FIDUCIARY, THE PROGRAM ADMINISTRATOR, THE INVESTMENT SERVICE CENTER, AND OTHER EMPLOYEES AND AGENTS OF DELPHI ARE NOT EMPOWERED TO ADVISE YOU AS TO THE MANNER IN WHICH YOUR INVESTMENTS SHOULD BE MADE OR ANY ALLOCATION OR REALLOCATION OF THOSE INVESTMENTS THAT MAY BE APPROPRIATE FOR YOU. YOU SHOULD NOT CONSTRUE THE FACT THAT AN INVESTMENT OPTION IS AVAILABLE FOR INVESTMENT UNDER THE PROGRAM AS A RECOMMENDATION FOR YOU TO INVEST IN THAT OPTION. YOU SHOULD NOTE THAT THE MARKET VALUE AND THE RATE OF RETURN ON EACH INVESTMENT OPTION FLUCTUATES OVER TIME AND IN VARYING DEGREES. ACCORDINGLY, THE PROCEEDS, IF ANY, YOU REALIZE FROM THESE INVESTMENTS DEPEND ON THE PREVAILING MARKET VALUE OF THE INVESTMENTS AT A PARTICULAR TIME, WHICH MAY BE MORE OR LESS THAN THE AMOUNT YOU INVESTED INITIALLY. THERE IS NO

ASSURANCE THAT ANY OF THE INVESTMENT OPTIONS WILL ACHIEVE THEIR OBJECTIVES OR YOUR OBJECTIVES. YOU SHOULD NOTE THAT EACH INVESTMENT OPTION IS SUBJECT TO VARYING DEGREES OF RISK WHICH ARE DISCUSSED BELOW.

INFORMATION ABOUT YOUR INVESTMENT OPTIONS

GM Investment Management, an indirect wholly owned subsidiary of General Motors and an SEC-registered investment advisor, advises Delphi in developing the Program's investment options and has overall responsibility for monitoring the investment options.

You have the ability to invest your savings through a specially designed investment option structure. Associated with this structure is a family of investment funds known as the Promark Funds, which are managed by GMIMCo or GM Trust Bank. GM Trust Bank, a national trust company and an affiliate of GMTMCo, is the successor to General Motors Trust Company and assumed responsibility for the management of certain of the Promark Funds, as noted in the descriptions below, effective October 1, 2003. This change did not alter the manner in which the Promark Funds are managed or the investment strategy of any individual fund.

A significant feature of the Promark Funds is that the assets of the funds in the Program are commingled with the assets of the Delphi and other pension plans and, accordingly, the same investment advisors manage these assets.

NEITHER THE PROMARK FUNDS NOR THE COMPANY STOCK FUNDS ARE MUTUAL FUNDS AND THEREFORE THESE FUNDS ARE NOT REGISTERED AS INVESTMENT COMPANIES WITH THE SECURITIES AND EXCHANGE COMMISSION. IN ADDITION, THE PROMARK FUNDS MANAGED BY GM TRUST BANK HAVE NOT BEEN REGISTERED WITH THE OFFICE OF THE COMPTROLLER OF THE CURRENCY. FURTHER, NO INVESTMENT IN ANY OF THE FUNDS OFFERED UNDER THE PROGRAM IS A BANK DEPOSIT AND NO INVESTMENT IS INSURED OR GUARANTEED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENT AGENCY.

The investment option structure described below has been designed to simplify your decision making.

Structure of the Investment Options

- Pathway One

Includes option choices you may want to consider if you are new to investing, are unfamiliar with investment concepts, or are looking for diversified investment choices which require minimal decision making by you.

- Pathway Two

Includes option choices you may want to consider if you have some knowledge of investing and asset allocation and you wish to select from a group of style-specific funds.

- Pathway Three

Includes option choices you may want to consider if you are an experienced investor who wishes to build a customized portfolio from a large selection of investment options and you have the time to select and actively monitor your portfolio.

Investment Terms You Should Know

Investment Style

Equity fund managers, both U.S. and International, tend to pursue three major investment styles:

- Value

Value managers search for companies that they believe are overlooked or undervalued by the market and whose stock can be purchased at a price that the manager considers low relative to the company's business prospects.

- Growth

Growth managers typically seek to invest in companies that they believe have better-than-average potential to grow their revenues and earnings faster than the rest of the market, and therefore are willing to pay a higher price for the stock than they might otherwise.

- Blend

Blend portfolio managers use a combination of value and growth strategies to identify undervalued securities, companies generating above-average earnings growth to support growing dividends, and stocks that do not currently pay dividends but offer prospects for capital appreciation and future income.

Market Capitalization

Equity funds can also be described in terms of the market capitalization of the companies they hold in their portfolio. Market capitalization is a commonly used measure of the size and value of a company. A company's market capitalization or market value can be calculated by multiplying the current stock price per share by the number of outstanding shares.

- Large Capitalization Funds

Large Capitalization Funds generally invest in companies with market capitalizations greater than \$10 billion.

- Mid Capitalization Funds

Mid Capitalization Funds generally invest in companies with market capitalizations between \$1.5 billion and \$10 billion.

- *Small Capitalization Funds*

Small Capitalization Funds generally invest in companies with market capitalizations of less than \$1.5 billion.

Fixed Income Funds

Two important criteria in evaluating fixed income funds are: (1) the average credit quality of the fund's assets; and (2) the interest rate risk (duration) of those assets.

- *Credit Quality*

Credit quality reflects a judgment (typically associated with a rating by a nationally recognized rating agency) of a borrower's ability to repay its loans and, therefore, its risk of not paying interest and/or repaying principal in a timely manner. Borrowers with higher credit quality ratings generally have less risk of non-payments than those with lower credit quality ratings.

- *Interest Rate Risk (Duration)*

Typically, when prevailing interest rates rise, the prices of fixed income securities fall. Conversely, when interest rates decline fixed income security prices generally rise. To help measure this effect, investment managers use a concept called duration. Duration is a measure of the price sensitivity of fixed income securities to changes in interest rates. Duration approximates the average timing or life of all the cash flows of a fixed income security. The prices of securities with shorter average lives tend to fluctuate less when interest rates change than securities with longer average lives.

Risks You Should Be Aware Of

YOUR INVESTMENT RETURN IS DETERMINED BY CHANGES IN THE MARKET PRICES OF THE INVESTMENTS HELD BY A FUND AND THE REINVESTMENT OF THE INCOME EARNED ON THE FUND'S INVESTMENTS, AND IS REDUCED BY THE MANAGEMENT FEES AND OTHER EXPENSES CHARGED TO EACH FUND. THE VALUE OF THE UNDERLYING INVESTMENTS, AND THEREFORE THE VALUE OF A FUND, MAY FLUCTUATE UP OR DOWN ON ANY GIVEN DAY. AS A RESULT, THE VALUE OF YOUR INVESTMENT IN A FUND WHEN REDEEMED MAY BE MORE OR LESS THAN ITS ORIGINAL COST. THERE CAN BE NO ASSURANCE THAT A FUND WILL ACHIEVE ITS INVESTMENT OBJECTIVE OR THAT LOSSES WILL NOT BE INCURRED. ADDITIONALLY, A FUND MAY HAVE SUSTAINED GAINS OR LOSSES RECENTLY DUE TO MARKET VOLATILITY OR OTHER REASONS. ACCORDINGLY, PERFORMANCE OF A FUND FOR DATES SUBSEQUENT TO THE DATE OF THE MOST RECENT PERFORMANCE SUMMARY MAY BE DIFFERENT THAN THE PERFORMANCE STATED ON THE MOST RECENT PERFORMANCE SUMMARY. PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE RESULTS. PLEASE VISIT WWW.DELPHI401K.COM OR CALL 1-877-389-2374 FOR PERFORMANCE INFORMATION.

BEFORE YOU PROCEED TO REVIEW THE INDIVIDUAL FUND DESCRIPTIONS, YOU ARE ENCOURAGED TO CAREFULLY READ THE FOLLOWING DESCRIPTIONS OF CERTAIN RISKS TO WHICH YOU MAY BE SUBJECT. SOME RISKS ARE GENERALIZED WHILE OTHERS ARE SPECIFIC TO THE TYPE OF FUND(S) YOU CHOOSE FOR YOUR INVESTMENTS. FOR ADDITIONAL INFORMATION REGARDING THE RISKS OF INVESTMENTS IN THE MUTUAL FUNDS THAT ARE AVAILABLE AS INVESTMENT OPTIONS IN THE PROGRAM, YOU SHOULD ALSO REVIEW THE APPLICABLE INDIVIDUAL MUTUAL FUND'S PROSPECTUS, WHICH CAN BE OBTAINED FREE OF CHARGE BY ACCESSING THE PROGRAM'S WEBSITE AT WWW.DELPHI401K.COM OR BY CALLING THE INVESTMENT SERVICE CENTER AT 1-877-389-2374.

Risks Associated with Equity Investments

Equity securities fluctuate in price and their short-term volatility at times may be great. The value of equity securities may fluctuate in response to issuer, market, political, economic, and other conditions and these fluctuations may be significant. These developments can affect an issuer, a market sector or region, or the entire market. Different equity securities can react differently to these conditions. Securities issued by mid and small cap companies may be more vulnerable than securities issued by U.S. companies with larger capitalizations to adverse business and economic developments due to limited product lines, markets, financial resources, or liquidity and may therefore be more susceptible to fluctuations in price.

Risks Associated with International and Emerging Markets Equity Fund Investments

In addition to those risks discussed above, investments in equity securities of non-U.S. issuers and in securities denominated in foreign currencies involve additional risks. Changes in foreign currency exchange rates affect the value of investments denominated in foreign currencies. Additionally, securities of non-U.S. issuers could be affected by political and financial instability abroad and may be more volatile than U.S. investments. In addition, there is the possibility of exchange control regulations, expropriation, confiscatory taxation, or limitations on the removal of securities or other assets from foreign countries. Further, many non-U.S. financial markets may be less liquid and/or may be less developed in terms of government regulation and supervision of exchanges. Many non-U.S. companies are not subject to uniform accounting, auditing, and financial reporting standards and practices or regulatory requirements comparable to those applicable to U.S. companies. Some or substantially all of the assets of a Fund may be invested in emerging markets countries which have greater political and financial instability relative to the U.S. and other developed countries.

An investment in emerging markets funds carries special risk. These funds invest primarily in securities of companies in emerging market countries. Securities in emerging market countries may be more difficult to sell at an acceptable price and their prices may be more volatile than securities of companies in more developed markets. Settlements of trades may be subject to greater delays so that a fund may not receive the proceeds of a sale of a security on a timely basis. As discussed above, emerging market countries may have less developed trading markets and exchanges. They may have less developed legal and accounting systems, and investments in those markets may be subject to greater risks of government restrictions on withdrawing the sales proceeds of securities from the country. Emerging market countries may have greater political and financial instability relative to the U.S. and other developed countries.

Risks Associated with U.S. Fixed-Income Investments

For funds investing in fixed-income instruments, specific risks include the credit quality, the interest rate (duration), and the mortgage prepayment risk of fixed-income securities. As the credit quality of a fixed-income security decreases, generally the risk you assume increases. For duration, a cash-flow weighted measure of how long it takes for you to be paid back by the borrower, the longer the duration the more interest rate risk you are assuming. Mortgage prepayment risk is the risk that a mortgage will be prepaid (or will not be prepaid) when interest rates fall below the rate paid on the mortgage (or rise above the rate paid on the mortgage), changing the cash flows of a portfolio.

A fund that invests in non-investment-grade, fixed-income securities takes on a significantly greater level of credit risk, price volatility, and liquidity risk than a fund that invests in high-quality fixed-income securities. High quality fixed-income securities include fixed-income securities rated investment grade (Baa/BBB or above) by one or more nationally recognized rating agencies or, if unrated by the nationally recognized rating agencies, deemed to have similar risk characteristics. High yield securities are those rated below Baa3/BBB- by one or more nationally recognized rating agencies or, if unrated by the same nationally recognized rating agencies, are deemed to have similar risk characteristics. Bonds that are not rated investment grade generally are considered to pose greater investment risks than bonds that are rated investment grade. Lower quality high yield bonds may fluctuate in value more than higher quality bonds and during periods of market volatility may be more difficult to sell at the desired time and price.

Risks Associated with Investments in Public Real Estate Companies

The real estate industry is highly sensitive to economic downturns. The value of securities of issuers in the real estate industry can be affected by changes in real estate

values and rental income, property taxes, interest rates, and tax and regulatory requirements. In addition, as is the case with all equity securities, security values may fluctuate in response to issuer, market, political, economic, and other conditions and these fluctuations may be significant. These developments can affect an issuer, a market sector or region, or the entire market. Different equity securities can react differently to these conditions. Securities issued by mid and small cap companies may be more vulnerable than securities issued by U.S. companies with larger capitalizations to adverse business and economic developments due to limited diversification, markets, financial resources, or liquidity and may therefore be more susceptible to fluctuations in price.

Risks Associated with Focused/Concentrated Investments

Investments in certain funds may be focused on a particular industry, region or country. Stocks of issuers in a particular industry may be affected by changes in economic conditions, government regulations, availability of basic resources or supplies, or other events that affect that industry more than others. To the extent that a fund is emphasizing investments in a particular industry, its share values may fluctuate in response to events affecting that industry and those fluctuations may be greater than a fund that is more broadly diversified. In addition, certain funds may invest a significant portion of their assets in a particular country or region. This would subject the fund to greater risks from political and economic events affecting that country or region and the fund might experience greater volatility in its share prices than a fund that is more broadly diversified geographically.

Risks Associated with Company Stock Fund Investments

The unit price of each Company Stock Fund is related to the price of the respective company stock (and the other assets held for liquidity purposes), and may fluctuate up and/or down on any given day, as is the case for all equity securities. The fluctuation in the unit price of an investment option consisting of stock of a single company is likely to be greater than the fluctuation in the unit price of an investment option consisting of a diversified portfolio of stocks of several companies. The non-diversified structure of Company Stock Funds, together with the funds' need to maintain sufficient liquidity to meet redemptions and fluctuating market prices throughout each day may limit the extent to which the performance of the Company Stock Funds will track the performance of the respective company stock.

Risks Associated with Securities Lending

The Promark Funds, from time to time, may lend securities from their portfolios to brokers, dealers, and other financial institutions. These loans must be fully collateralized and are made only to borrowers deemed by the trustee or custodian with responsibility for the loans to be of good

standing and when, in the trustee's or custodian's judgment, the income to be earned from the loan justifies the attendant risks. One effect of securities lending is that a fund's ability to exercise a stockholder voting right may be lost. Securities lending involves certain risks, including the risk of default by the borrower. The borrower may become insolvent and default on the loan and the lending fund may not be able to recover the securities lent and would bear the risk of loss in the event the value of the collateral was insufficient to cover the cost of replacing the securities lent. Under certain, but not all circumstances, however, the lending agent would be contractually obligated to indemnify a fund for any shortfall amount.

Risks Associated with Currency Hedging

Certain funds may invest all or a portion of their assets in securities denominated in foreign currencies. The value of these securities may fluctuate based on changes in exchange rates between the U.S. dollar and the applicable foreign currency. These funds may, but are not required to, engage in currency transactions to seek to hedge against the possible risk of loss from the decline in the value of the currencies in which the fund's investments are denominated against the U.S. dollar ("currency risk"). These funds may employ a variety of investments and techniques to hedge against currency risk or to gain market exposure, including spot and forward foreign exchange transactions and currency swaps, listed or over-the counter options on currencies, currency futures, and options on currency futures. There is no assurance that any hedging transactions will be effective. See "Risks Associated with Use of Derivatives" for a further discussion of the risks of investing in derivative instruments.

Risks Associated with the Use of Derivatives

Certain of the Promark Funds may invest in futures, options on futures, swaps, and foreign currency forwards for hedging, managing risks, and/or gaining market exposure.

Futures, options on futures, swaps, and foreign currency forward contracts are examples of "derivatives," which are instruments whose performance is derived, in part, from the performance of an underlying security, currency, index, or interest rate. Derivatives can be volatile and the market for many such instruments is or can become illiquid, which may impact their prices radically. Utilizing these instruments at inopportune times may lower investment returns or result in a loss significantly greater than the investment cost of the derivative instrument itself. There is a risk that the use of derivatives for hedging or risk management purposes may not be successful for various reasons, including unexpected changes in the value of the derivatives that are not matched by opposite changes in the value of the balance of the fund's portfolio.

Risks Associated with Borrowing by the Funds

All of the funds within the Program may borrow to meet temporary liquidity or emergency needs. For the Company Stock Funds, this may involve borrowing from the Promark Funds or loans from the Plan Sponsor (at the Plan Sponsor's sole discretion). The funds may pledge securities as collateral for a loan. If the fund's investments decline in value, the fund could be subject to a "collateral call," pursuant to which the fund must deposit additional collateral with the lender or the lender may have the right to liquidate the pledged assets.

Alternatively, the borrowing fund may default on a loan, which may adversely impact the net asset value (unit value) of the lending fund.

For the mutual funds, each fund's prospectus describes what actions may be taken.

Expenses

All of the funds listed incur expenses related to their daily operations. Fees and expenses paid out of the assets of a fund (whether or not such fund is a mutual fund) are reflected in a fund's net asset/unit value. These fees and expenses are neither billed directly to you nor deducted from your account. Total expenses, when expressed as a percentage of the fund's assets, are referred to as the fund's operating expense ratio. For a given level of gross investment return, the fund with the lowest operating expense ratio would provide you with the highest net return.

The operating expense ratio for each mutual fund offered as an investment option is disclosed in the fund's prospectus, which you may obtain free of charge by accessing the Program's website at www.delphi401k.com or by calling the Investment Service Center at 1-877-389-2374. These ratios, along with the expense ratios for each of the other investment options available under the Program, also can be found in each quarterly issue of Pathways magazine mailed to participants and on the web by accessing your account information at www.delphi401k.com.

The Plan Sponsor currently bears all or a portion of the expenses for certain of the Promark Funds and the Company Stock Funds. There is no assurance that the Plan Sponsor will continue to bear all or any portion of these costs in the future. If these funds were required to bear all or a greater portion of such expenses, the unit value of these funds would be reduced by the amount of actual operating expenses charged to the respective fund.

DESCRIPTION OF INVESTMENT OPTIONS

Descriptions of each of the investment options in the Program are organized by Pathway category and are listed in this section of the Prospectus. Prospectuses relating to the Fidelity and other mutual funds contain additional information regarding these funds and can be obtained by accessing the Program's website at www.delphi401k.com or from the Investment Service Center by calling 1-877-389-2374. **Information contained in this section is current as of September 30, 2003, unless otherwise indicated. No representation is made as to the accuracy of this information as of any date other than September 30, 2003, or any other date indicated.**

PATHWAY ONE

These funds are designed to be single choice options that produce diversified portfolios. You may wish to consider these options if you are new to investing, are unfamiliar with investment concepts, or are looking for diversified investment choices which require minimal decision making by you. You can select one of the Promark Target Portfolios based on your specific time horizon and risk tolerance or, alternatively, one of Fidelity's Freedom Funds based on your estimated year of retirement. For each of the Pathway One options described below, the Fund Manager selects the component funds contained within the option and determines the asset mix of the option. Performance return information on each fund is provided with each quarterly account statement you receive or online statement as referenced in the "Statement of Account" section of this Prospectus. Benchmark information is current as of September 30, 2003. The benchmarks used for certain Promark Funds may have been changed or modified from time to time since inception to reflect changes in the investment strategy relating to the specific fund. Share price and return will vary. Each of these funds will indirectly bear its pro-rata portion of the fees and expenses of the component funds in addition to any fees and expenses of the fund itself.

LIFESTYLE/ASSET ALLOCATION FUNDS

PROMARK TARGET PORTFOLIOS	FIDELITY FREEDOM FUNDS
<ul style="list-style-type: none"> • Promark Target Portfolio: Income • Promark Target Portfolio: Conservative Growth • Promark Target Portfolio: Moderate Growth • Promark Target Portfolio: Dynamic Growth 	<ul style="list-style-type: none"> • Fidelity Freedom Income Fund* • Fidelity Freedom 2000 Fund* • Fidelity Freedom 2010 Fund® • Fidelity Freedom 2020 Fund* • Fidelity Freedom 2030 Fund® • Fidelity Freedom 2040 Fund™

Promark Target Portfolio: Income (96297)

Objective: Seeks current income and limited growth of capital.

Category: Lifestyle (For purposes of this Prospectus, the "Lifestyle" category is a single choice option that produces a diversified portfolio which attempts to meet the Fund's objective.)

Benchmark: Customized benchmark (as described below)

Investment Strategy:

- The Fund invests directly in the shares of other Promark Funds to implement an asset allocation strategy that is designed to provide predominantly current income and limited growth of capital to investors with a short-term (less than 5 years) investment time horizon and/or a low tolerance for risk.
- The asset classes the Fund may invest in include U.S. large cap stocks, U.S. small cap stocks, international stocks, U.S. high quality bonds, U.S. high yield bonds, and cash.
- The Fund has a current target allocation of 20% for stocks and 80% for bonds. The Fund will be rebal-

anced at least annually to the target allocation.

- The goal of the Fund is to outperform a customized benchmark, consisting of a composite of the representative benchmarks of the component Promark Funds, weighted in accordance with the Fund's target asset allocation of 20% for stocks and 80% for bonds.
- GM Trust Bank manages the Fund. The Fund's selected target allocation as of September 30, 2003, included the following component Promark Funds and weightings: 15% Large Cap Blend Fund, 1% Small Cap Value Fund, 1% Small Cap Growth Fund, 3% International Equity Fund, 76% High Quality Bond Fund, and 4% High Yield Bond Fund. Each of the component Promark Funds has its own investment policies and guidelines. The component funds and their corresponding target allocations may be changed from time to time.

Investment Advisors: See component Promark Funds described below in "Pathway Two."

Promark Target Portfolio: Conservative Growth (96295)

Objective: Seeks current income and low to moderate growth of capital.

Category: Lifestyle**Benchmark:** Customized benchmark (as described below)**Investment Strategy:**

- The Fund invests directly in the shares of other Promark Funds to implement an asset allocation strategy that is designed to provide current income and low to moderate growth of capital to investors with an intermediate-term (5-10 years) investment time horizon and/or a low to moderate tolerance for risk.
- The asset classes the Fund may invest in include U.S. large cap stocks, U.S. small cap stocks, international stocks, U.S. high quality bonds, U.S. high yield bonds, and cash.
- The Fund has a current target allocation of 40% for stocks and 60% for bonds. The Fund will be rebalanced at least annually to the target allocation.
- The goal of the Fund is to outperform a customized benchmark, consisting of a composite of the representative benchmarks of the component Promark Funds, weighted in accordance with the Fund's target asset allocation of 40% for stocks and 60% for bonds.
- GM Trust Bank manages the Fund. The Fund's selected target allocation as of September 30, 2003, included the following component Promark Funds and weightings: 26% Large Cap Blend Fund, 2% Small Cap Value Fund, 2% Small Cap Growth Fund, 10% International Equity Fund, 54% High Quality Bond Fund, and 6% High Yield Bond Fund. Each of the component Promark Funds has its own investment policies and guidelines. The component funds and their corresponding target allocations may be changed from time to time.

Investment Advisors: See component Promark Funds described below in "Pathway Two."**Promark Target Portfolio: Moderate Growth (96298)****Objective:** Seeks growth of capital and a moderate level of current income.**Category:** Lifestyle**Benchmark:** Customized benchmark**Investment Strategy:**

- The Fund invests directly in the shares of other Promark Funds to implement an asset allocation strategy that is designed to provide growth of capital and a moderate level of current income to investors with a moderately long-term (10-15 years) investment time horizon and/or a moderate tolerance for risk.
- The asset classes the Fund may invest in include U.S. large cap stocks, U.S. small cap stocks, international stocks, U.S. high quality bonds, U.S. high yield bonds, and cash.

- The Fund has a current target allocation of 60% for stocks and 40% for bonds. The Fund will be rebalanced at least annually to the target allocation.
- The goal of the Fund is to outperform a customized benchmark, consisting of a composite of the representative benchmarks of the component Promark Funds, weighted in accordance with the Fund's target asset allocation of 60% for stocks and 40% for bonds.
- GM Trust Bank manages the Fund. The Fund's selected target allocation as of September 30, 2003, included the following component Promark Funds and weightings: 40% Large Cap Blend Fund, 2.5% Small Cap Value Fund, 2.5% Small Cap Growth Fund, 15% International Equity Fund, 32% High Quality Bond Fund, and 8% High Yield Bond Fund. Each of the component Promark Funds has its own investment policies and guidelines. The component funds and their corresponding target allocations may be changed from time to time.

Investment Advisors: See component Promark Funds described below in "Pathway Two."**Promark Target Portfolio: Dynamic Growth (96296)****Objective:** Seeks growth of capital and limited current income.**Category:** Lifestyle**Benchmark:** Customized benchmark (as described below)**Investment Strategy:**

- The Fund invests directly in the shares of other Promark Funds to implement an asset allocation strategy that is designed to provide growth of capital and limited current income to investors with a long-term (more than 15 years) investment time horizon and/or a high tolerance for risk.
- The asset classes the Fund may invest in include U.S. large cap stocks, U.S. small cap stocks, international stocks, U.S. high quality bonds, U.S. high yield bonds, and cash.
- The Fund has a current target allocation of 80% for stocks and 20% for bonds. The Fund will be rebalanced at least annually to the target allocation.
- The goal of the Fund is to outperform a customized benchmark, consisting of a composite of the representative benchmarks of the component Promark Funds, weighted in accordance with the Fund's target asset allocation of 80% for stocks and 20% for bonds.
- GM Trust Bank manages the Fund. The Fund's selected target allocation as of September 30, 2003, included the following component Promark Funds and weightings: 52% Large Cap Blend Fund, 4% Small Cap Value Fund, 4% Small Cap Growth Fund, 20% International Equity Fund, 11% High Quality Bond Fund, and 9% High

Yield Bond Fund. Each of the component Promark Funds has its own investment policies and guidelines. The component funds and their corresponding target allocations may be changed from time to time.

Investment Advisors: See component Promark Funds described below in "Pathway Two."

Brief Descriptions of Each Fidelity Freedom Fund

Descriptions in this Prospectus of the Fidelity Freedom Funds available to you under the Program are summary in nature and have been provided by Fidelity. The prospectuses for these funds can be obtained free of charge from the Investment Service Center by accessing the Program's website at www.delphi401k.com or by calling 1-877-389-2374. You are encouraged to obtain and read the fund prospectus for more information.

Fidelity Freedom Income Fund® (00369)

The Fund seeks to provide high current income and, as a secondary objective, some capital appreciation for those already in retirement. The Fund invests approximately 20% in Fidelity stock mutual funds, 40% in Fidelity bond mutual funds, and 40% in Fidelity money market mutual funds. Share price and return will vary. The percentages represent anticipated target asset allocation at September 30, 2003. Strategic Advisers, Inc., a subsidiary of FMR Corp., manages the Fidelity Freedom Funds.

Fidelity Freedom 2000 Fund® (00370)

The Fund seeks to provide high total returns for those planning to retire during the decade of 2000. The Fund invests approximately 21% in Fidelity stock mutual funds, 42% in Fidelity bond mutual funds and 37% in Fidelity money market mutual funds. The mix of underlying funds will gradually become more conservative over time. Share price and return will vary. The percentages represent anticipated target asset allocation at September 30, 2003. Strategic Advisers, Inc., a subsidiary of FMR Corp., manages the Fidelity Freedom Funds.

Fidelity Freedom 2010 Fund® (00371)

The Fund seeks to provide high total returns for those planning to retire around 2010. The Fund invests approximately 45% in Fidelity stock mutual funds, 45% in Fidelity bond mutual funds and 10% in Fidelity money market mutual funds. The mix of underlying funds will gradually become more conservative over time. Share price and return will vary. The percentages represent anticipated target asset allocation at September 30, 2003. Strategic Advisers, Inc., a subsidiary of FMR Corp., manages the Fidelity Freedom Funds.

Fidelity Freedom 2020 Fund® (00372)

The Fund seeks to provide high total returns for those planning to retire around 2020. The Fund invests approximately 70% in Fidelity stock mutual funds and 30% in Fidelity bond mutual funds. The mix of underlying funds will gradually become more conservative over time. Share price and return will vary. The percentages represent anticipated target asset allocation at September 30, 2003. Strategic Advisers, Inc., a subsidiary of FMR Corp., manages the Fidelity Freedom Funds.

Fidelity Freedom 2030 Fund® (00373)

The Fund seeks to provide high total returns for those planning to retire around 2030. The Fund invests approximately 83% in Fidelity stock mutual funds and 17% in Fidelity bond mutual funds. The mix of underlying funds will gradually become more conservative over time. Share price and return will vary. The percentages represent anticipated target asset allocation at September 30, 2003. Strategic Advisers, Inc., a subsidiary of FMR Corp., manages the Fidelity Freedom Funds.

Fidelity Freedom 2040 Fund™ (00718)

The Fund seeks to provide high total returns for those planning to retire around 2040. The Fund invests approximately 90% in Fidelity stock mutual funds and 10% in Fidelity bond mutual funds. The mix of underlying funds will gradually become more conservative over time. Share price and return will vary. The percentages represent anticipated target asset allocation at September 30, 2003. Strategic Advisers, Inc., a subsidiary of FMR Corp., manages the Fidelity Freedom Funds.

PATHWAY TWO

Requires a moderate level of involvement in constructing your total portfolio. You may wish to consider these options if you have some knowledge of investing and asset allocation and you wish to select from a group of style-specific funds. After you determine your preferred asset mix and review the relevant Fund descriptions, you may choose from the following funds to design your investment portfolio. Performance return information on each fund is provided with each quarterly account statement you receive or online statement as referenced in the "Statement of Account" section of this Prospectus. Benchmark information presented is current as of September 30, 2003. The benchmarks used for certain funds may have been changed or modified from time to time since inception to reflect changes in the investment strategy relating to the specific fund. Share price and return will fluctuate.

U.S. EQUITY FUNDS	U.S. FIXED INCOME FUNDS
<ul style="list-style-type: none"> • Promark Large Cap Blend Fund • Promark Large Cap Value Fund • Promark Large Cap Growth Fund • Promark Large Cap Index Fund • Promark Social Equity Fund • Promark Mid Cap Blend Fund • Promark Small Cap Value Fund • Promark Small Cap Growth Fund 	<ul style="list-style-type: none"> • Promark Income Fund • Promark High Quality Bond Fund • Promark High Yield Bond Fund
INTERNATIONAL EQUITY FUNDS	SPECIALTY/SECTOR FUNDS
<ul style="list-style-type: none"> • Promark International Equity Fund • Promark Emerging Markets Equity Fund 	<ul style="list-style-type: none"> • Promark Balanced Fund • Promark Real Estate Securities Fund
COMPANY STOCK FUNDS	
<ul style="list-style-type: none"> • Delphi Common Stock Fund • General Motors \$1-2/3 Par Value Common Stock Fund - RESTRICTED FUND • Hughes Common Stock Fund - RESTRICTED FUND • News Corporation Preferred ADS Fund - RESTRICTED FUND • Electronic Data Systems Corporation Common Stock Fund - RESTRICTED FUND • Raytheon Company Common Stock Fund - RESTRICTED FUND 	

Each of the Promark Funds in Pathway Two is either style-specific (e.g., Large Cap Growth Fund), sector-specific (e.g., Real Estate Securities Fund), or a hybrid portfolio of equity/fixed income investments (e.g., Balanced Fund). GM Trust Bank or GM Investment Management may delegate day-to-day investment decisions with respect to all or a portion of the Funds' assets to one or more investment advisors. The investment advisor(s) for each Promark Fund is (are) listed in the individual fund descriptions below. GM Trust Bank or GM Investment Management retain the right to add, terminate or reallocate assets among individual investment advisors for the Promark Funds at any time.

Promark Large Cap Blend Fund (96288)

Objective: Seeks long-term growth through capital appreciation and current income.

Category: U.S. Large Cap Blend

Benchmark: Russell 1000 Index

Investment Strategy:

- Effective July 1, 2003, the Fund was restructured to permit it to invest in other investment funds, primarily Promark Funds, pursuant to an asset allocation strategy designed to gain exposure to the large cap universe of stocks represented by the Russell 1000 Index.¹ The restructuring did not alter the Fund's investment objective or its goal of outperforming the Russell 1000 Index. The Fund now invests indirectly through other investment vehicles in companies with market capitalizations similar to those of companies in the Russell 1000 Index or directly in such securities. To the extent the Fund makes direct investments, investments will be made in companies that are believed by an investment manager to the Fund to be attractively priced and offer prospects of capital appreciation and/or earnings and dividend growth potential. The percentage of Fund assets that will be invested in each investment fund and directly invested will fluctuate from time to time in accordance with the views of the Fund Manager.

¹ The Russell 1000 Index measures the performance of the 1,000 largest companies of the Russell 3000 Index, which represents approximately 92% of the total market capitalization of the Russell 3000 Index. As of the latest reconstitution on June 30, 2003, the average market capitalization of companies listed in the Russell 1000 Index was approximately \$10.3 billion and the median market capitalization was approximately \$3.2 billion. The size of companies in the Russell 1000 Index changes with market conditions and the composition of the index.

- The goal of the Fund is to provide a total return greater than the total return of the large capitalization component of the U.S. stock market as measured by the Russell 1000 Index while maintaining volatility and diversification similar to the Index.
- The Fund seeks to be fully invested, primarily in U.S. equities, at all times and seeks to achieve its objective by using fundamental security valuation methodologies and quantitative investment models.
- The Fund is managed by GM Trust Bank. As of September 30, 2003, the assets of the Fund were allocated to the following investments in the percentages indicated: Direct investments (including derivatives), 1%; BGI Russell 200 Strategy, 16.3%; Promark Large Cap Value Fund, 14.7%; Promark Large Cap Growth Fund, 15.4%; Promark Mid Cap Blend Fund, 7%; and Promark Large Cap Core Fund, 45.6% (this Fund is not a savings plan investment option and is only available as an investment option for the Promark Large Cap Blend Fund.) The Promark Large Cap Core Fund is a strategy that combines four investment styles—index, enhanced index, aggressive quantitative and aggressive fundamental—to achieve exposure to the broad large cap stock universe.

Promark Large Cap Value Fund (96290)

Objective: Seeks long-term growth through capital appreciation and current income.

Category: U.S. Large Cap Value

Benchmark: Russell 1000 Value Index

Investment Strategy:

- The Fund invests primarily in large companies with market capitalizations similar to the market capitalizations of companies listed in the Russell 1000 Value Index⁴ that the Fund's investment advisors believe to be attractively priced relative to fundamental characteristics such as earnings, book value or cash flow.
- The Fund's goal is to provide a total return greater than the total return of the large cap value component of the U.S. stock market as measured by the Russell 1000 Value Index while maintaining volatility and diversification similar to the Index.
- The Fund seeks to be fully invested, primarily in U.S. equities, at all times and seeks to achieve its objective by using fundamental security valuation methodologies and quantitative investment models.

⁴ The Russell 1000 Value Index measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values. As of the latest reconstitution on June 30, 2003, the average market capitalization of companies listed in the Russell 1000 Value Index was approximately \$8.9 billion and the median market capitalization was approximately \$3.0 billion. The size of companies in the Russell 1000 Value Index changes with market conditions and the composition of the index.

⁵ The Russell 1000 Growth Index measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. As of the latest reconstitution on June 30, 2003, the average market capitalization of companies listed in the Russell 1000 Growth Index was approximately \$11.7 billion and the median market capitalization was approximately \$3.3 billion. The size of companies in the Russell 1000 Growth Index changes with market conditions and the composition of the index.

- The Fund is managed by GM Trust Bank. As of September 30, 2003, the assets of the Fund were allocated among four investment advisors.

Investment Advisors: Alliance Bernstein, GM Investment Management, LSV Asset Management and TCW Asset Management

Promark Large Cap Growth Fund (96289)

Objective: Seeks long-term growth through capital appreciation.

Category: U.S. Large Cap Growth

Benchmark: Russell 1000 Growth Index

Investment Strategy:

- The Fund invests primarily in large companies with market capitalizations similar to the market capitalizations of companies listed in the Russell 1000 Growth Index⁵ that the Fund's investment advisors believe to have characteristics such as superior growth prospects, market leadership and/or are in an early or transitional stage in their development.
- The goal of the Fund is to provide a total return greater than the total return of the large cap growth component of the U.S. stock market as measured by the Russell 1000 Growth Index while maintaining volatility and diversification similar to the Index.
- The Fund seeks to be fully invested, primarily in U.S. equities, at all times and seeks to achieve its objective by using fundamental security valuation methodologies and quantitative investment models.
- The Fund is managed by GM Trust Bank. As of September 30, 2003, the assets of the Fund were allocated among five investment advisors.

Investment Advisors: Marsico Capital Management, Sands Capital Management, State Street Bank and Trust Company, TCW Asset Management and Wellington Management Company

Promark Large Cap Index Fund (96325)

Objective: Seeks long-term growth through capital appreciation.

Category: U.S. Large Cap Blend

Benchmark: Standard & Poor's 500 Index®

Investment Strategy:

- The assets allocated to this investment option are invested in a fund comprised primarily of all of the common stocks that constitute the S&P 500® Index.⁴
- The weightings of stocks in the S&P 500® Index are based on each stock's relative total market value. As of September 30, 2003, approximately 54% of the Index was composed of stocks of the 50 largest companies in the S&P 500® Index.
- The goal of the Fund is to provide investment results that correspond to the aggregate price and dividend performance of the securities in the S&P 500® Index.
- GM Investment Management has appointed State Street Bank and Trust Company to act as investment advisor for these assets. The assets are invested in a commingled fund maintained by State Street Bank and Trust Company.

Promark Social Equity Fund (96323)

Objective: Seeks long-term capital appreciation, while adhering to specific social criteria.

Category: U.S. Large Cap Growth

Benchmark: Standard & Poor's 500 Index⁵

Investment Strategy:

- The assets allocated to this investment option are invested in a fund comprised primarily of U.S. large-sized companies selected through an active management strategy. The investment process is applied across a universe of approximately 2,200 securities. The Fund will seek to purchase and hold only securities that the Fund's investment advisor believes meet specific social criteria.
- The Fund's goal is to provide investment results that correspond to (or exceed) the aggregate price and dividend performance of the securities in the S&P 500® Index.
- The Fund seeks to achieve its objective by using both fundamental analysis and quantitative investment models.
- The Fund's social screening criteria seek to exclude the following companies: manufacturers of military weapons, including nuclear, biological, and chemical; manufacturers of alcohol and tobacco products; manufacturers of gambling devices and operators of casinos; and companies with a history of causing substantial damage to the environment. The Fund also seeks to invest in companies promoting certain types of socially oriented activities.

- GM Investment Management has appointed State Street Bank and Trust Company to act as investment advisor for these assets. The assets are invested in a commingled fund maintained by State Street Bank and Trust Company.

Promark Mid Cap Blend Fund (96291)

Objective: Seeks long-term growth through capital appreciation.

Category: U.S. Mid Cap Blend

Benchmark: Russell Midcap™ Index

Investment Strategy:

- The Fund invests primarily in mid-sized companies with market capitalizations similar to the market capitalizations of companies listed in the Russell Midcap Index⁶ that the Fund's investment advisors believe to be attractively priced and offer prospects of capital appreciation and/or earnings and dividend growth potential.
- The Fund's goal is to provide a total return greater than the total return of the mid cap component of the U.S. stock market as measured by the Russell Midcap Index, while maintaining volatility and diversification similar to the Index.
- The Fund seeks to be fully invested, primarily in U.S. equities, at all times and seeks to achieve its objective by using both fundamental security valuation methodologies and quantitative investment models.
- The Fund is managed by GM Trust Bank. As of September 30, 2003, the assets of the Fund were allocated among six investment advisors.

Investment Advisors: Aronson Partners, Artisan Partners, Pzena Investment Management, Rice Hall & James, Southeastern Asset Management, and Turner Investment Partners

Promark Small Cap Value Fund (96294)

Objective: Seeks long-term growth through capital appreciation .

Category: U.S. Small Cap Value

Benchmark: Russell 2000 Value Index

Investment Strategy:

- The Fund invests primarily in small-sized companies with market capitalizations similar to the market capitalizations of companies listed in the Russell 2000 Value Index⁶ that the Fund's investment advisors

⁴ Standard & Poor's 500 Index (S&P 500® Index), a registered trademark of The McGraw-Hill Companies, Inc., is a widely recognized unmanaged index of 500 U.S. common stock prices. Index performance includes the reinvestment of dividends. The S&P 500® Index represented approximately 45% of the market value of all U.S. common stocks listed on the New York Stock Exchange as of September 30, 2003.

⁵ Russell Midcap™ Index measures the performance of the 800 smallest companies in the Russell 1000 Index, which represents approximately 24.5% of the total market capitalization of the Russell 1000 Index. As of the latest reconstitution on June 30, 2003, the average market capitalization of companies listed in the Russell Midcap Index was approximately \$3.3 billion and the median market capitalization was approximately \$2.5 billion. The size of companies in the Russell Midcap Index changes with market conditions and the composition of the index.

⁶ The Russell 2000 Value Index measures the performance of those Russell 2000 Index companies with lower price-to-book ratios and lower forecasted growth values. As of the latest reconstitution on June 30, 2003, the average market capitalization of companies listed in the Russell 2000 Index was approximately \$450 million and the median market capitalization was approximately \$360 million. The size of companies in the Russell 2000 Index changes with market conditions and the composition of the index.

believe to be attractively priced relative to fundamental characteristics such as earnings, book value, or cash flow.

- The Fund's goal is to provide a total return greater than the total return of the small cap value component of the U.S. stock market as measured by the Russell 2000 Value Index, while maintaining volatility and diversification similar to the Index.
- The Fund seeks to be fully invested, primarily in U.S. equities, at all times and seeks to achieve its objective by using both fundamental security valuation methodologies and quantitative investment models.
- The Fund is managed by GM Trust Bank. As of September 30, 2003, the assets of the Fund were allocated among three investment advisors.

Investment Advisors: Barclays Global Investors, Franklin Portfolio Associates and GM Investment Management

Promark Small Cap Growth Fund (96293)

Objective: Seeks long-term capital appreciation.

Category: U.S. Small Cap Growth

Benchmark: Russell 2000 Growth Index

Investment Strategy:

- The Fund invests primarily in small-sized companies with market capitalizations similar to the market capitalizations of companies listed in the Russell 2000 Growth Index⁷ and which the Fund's investment advisors believe to have characteristics such as superior growth records, market leadership in their industries, and positive cash flow allowing for future growth. The Fund also invests in companies that the Fund's investment advisors believe are in an early

stage or transitional point in their development or have demonstrated or have the potential for above average capital growth.

- The Fund's goal is to provide a total return greater than the total return of the small cap growth component of the U.S. stock market as measured by the Russell 2000 Growth Index while maintaining volatility and diversification similar to the Index.
- The Fund seeks to be fully invested, primarily in U.S. equities, at all times and seeks to achieve its objective by using both fundamental security valuation methodologies and quantitative investment models.
- The Fund is managed by GM Trust Bank. As of September 30, 2003, the assets of the Fund were allocated among six investment advisors.

Investment Advisors: Brown Investment Advisory, Frontier Capital Management, Geewax Terker & Company, GM Investment Management, Paradigm Asset Management, and Westpeak Investment Advisors

Promark Income Fund (96326)

Objective: Seeks to provide income consistent with preservation of capital.

Category: U.S. High Quality Fixed Income

Benchmark: Not applicable

Investment Strategy:

- The Fund invests primarily in contracts described below issued by highly rated insurance companies and various fixed-income securities to which certain of these contracts relate. The Fund also invests in high quality, short-term, fixed-income securities to provide liquidity.

Additional Information Specific to the Promark Income Fund

Insurance company issuers of the Fund's contracts are required by the Fund Manager to have a Moody's Investors Service ("Moody's") rating of at least Aa3 or higher at the time of contract issuance. It is expected that bank issuers, if any, will have a rating at issuance which is comparable, as determined by the Fund Manager. Moody's ratings are displayed in the table below. The short-term portfolio is not backed by the Fund's contracts and may fluctuate in value.

MOODY'S RATING TABLE

Moody's designates the four highest of its nine insurance financial strength rating categories as:

- Aaa - "Exceptional Financial Security"
- Aa (comprised of Aa1, Aa2, Aa3) - "Excellent Financial Security"
- A (comprised of A1, A2, A3) - "Good Financial Security"
- Baa (comprised of Baa1, Baa2, Baa3) - "Adequate Financial Security"
- Together, Aaa, Aa, A, and Baa rated firms are considered "Strong Companies" by Moody's
- Moody's rating symbols for insurance financial strength ratings are identical to the long-term debt ratings of bonds.

⁷ The Russell 2000 Growth Index measures the performance of those Russell 2000 Index companies with higher price-to-book ratios and higher forecasted growth values. As of the latest reconstitution on June 30, 2003, the average market capitalization of companies listed in the Russell 2000 Growth Index was approximately \$460 million and the median market capitalization was approximately \$360 million. The size of companies in the Russell 2000 Growth Index changes with market conditions and the composition of the index.

- The goal of the Fund is to provide a predictable income return while seeking to preserve capital. There can be no assurance that this goal will be achieved.
- GM Investment Management manages the Fund's assets and invests the majority of the assets in a commingled fund managed by GM Trust Bank.

As of September 30, 2003, the Fund invests primarily in portfolios of U.S. investment grade corporate bonds, U.S. government/agency bonds, mortgage and other asset-backed securities, U.S. below-investment-grade corporate bonds, and other fixed-income securities held by the Fund (rather than a contract issuer) coupled with negotiated contracts ("Wrap Contracts") issued by highly rated insurance companies. The Wrap Contracts contain general obligations of the issuer to pay under certain circumstances the amount, if any, by which the market value of the wrapped assets is less than the Fund's invested capital therein, including a specified rate of return related to the investment performance of these assets. Wrapped assets exclude excess impaired securities (i.e., securities in excess of a threshold percentage which are in default or not in compliance with applicable investment guidelines) and certain securities held for liquidity purposes and therefore neither category is covered by these obligations. The Wrap Contracts provide, however, for certain events of termination under which only the market value of the wrapped assets (which could be less than the Fund's invested capital therein) will be available to pay participant withdrawals. The wrapped assets are managed for the Fund by investment advisors selected and monitored by GM Trust Bank.

Gains or losses incurred with respect to the wrapped assets generally are amortized over 2-5 years, thereby smoothing out changes in the Fund's income and value with respect to these assets.

The crediting rate on the Fund, which is computed net of all fees and expenses, is reset periodically, currently each calendar quarter, to reflect participant-initiated activities (contributions, exchanges, loans, or withdrawals) and the investment experience of the Fund's assets. Information regarding investment performance for prior periods are provided with each quarterly account statement you receive. You may obtain the crediting rate for succeeding quarters by the first Business Day after the end of the prior quarter by accessing the Program's website at www.delphi401k.com or by calling the Investment Service Center at 1-877-389-2374.

Certain Risks Specific to the Promark Income Fund

IN THE EVENT OF THE INSOLVENCY OF ONE OF THE ISSUING COMPANIES PROVIDING CONTRACTS FOR THE PROMARK INCOME FUND, OR FAILURE OF SUCH COMPANY TO SATISFY ITS CONTRACT TERMS, NEITHER THE PLAN SPONSOR, GMTB, THE FUND MANAGERS, THE TRUSTEE, THE INVESTMENT ADVISORS, NOR ANY OF THE OTHER ISSUING COMPANIES (EXCEPT TO THE LIMITED EXTENT, IF ANY, PROVIDED IN THE CONTRACTS OF SUCH OTHER ISSUING COMPANIES) ARE REQUIRED TO FULFILL THE INSOLVENT ISSUING COMPANY'S OBLIGATIONS ON THE CONTRACT(S). NEITHER THE PLAN SPONSOR, GMTB, THE FUND MANAGERS, THE INVESTMENT ADVISORS, NOR THE TRUSTEE GUARANTEE EITHER (1) THE ASSETS INVESTED IN THE PROMARK INCOME FUND OR (2) THE CREDITING INTEREST RATE. IF YOU INVEST IN THE PROMARK INCOME FUND, YOU BEAR THE RISK OF THIS INVESTMENT, INCLUDING THE INSOLVENCY OF AN ISSUING COMPANY OR ITS FAILURE TO SATISFY THE CONTRACT TERMS.

Promark High Quality Bond Fund (96285)

Objective: Seeks a high level of current income that is consistent with reasonable risk and secondarily, moderate capital appreciation by investing primarily in U.S. high quality fixed-income securities.

Category: U.S. High Quality Fixed Income

Benchmark: Salomon Broad Investment Grade Index

Investment Strategy:

- The Fund invests primarily in government securities, investment grade corporate bonds, mortgages, and asset-backed securities.
- The goal of the Fund is to outperform, consistent with reasonable risk, the Salomon Broad Investment Grade Index⁸, which covers the universe of investment-grade securities issued in the U.S.
- The Fund is permitted to invest in government securities, residential and commercial mortgage-backed securities, asset-backed securities, and corporate debt securities issued by U.S. and non-U.S. issuers rated investment grade by one or more nationally recognized rating agencies.⁹ The Fund's portfolio has an intermediate duration, similar to that of the benchmark index.
- The Fund seeks to manage interest rate risk by using strategies approved and monitored by GM Trust Bank.

⁸ The Salomon Broad Index Grade (BIG) Bond Index is an unmanaged index designed to measure the performance of the investment-grade universe of bonds issued in the U.S. This index includes fixed-rate U.S. Treasury, government-sponsored agency, mortgage and corporate securities rated BBB/Baa3 or better by at least one nationally recognized rating agency. Every issue is trader priced on a monthly basis.

⁹ The Fund is permitted to invest in corporate and sovereign securities rated Baa3/BBB- or above at the time of purchase by at least one nationally recognized credit rating agency, or, if not rated by at least one nationally recognized credit rating agency, believed by one of the investment advisors for the Fund to have similar risk characteristics. The Fund is not required to dispose of a security if its rating drops below Baa3/BBB- by one or more of the nationally recognized rating agencies. GMTB reserves the right to modify the credit quality guidelines (to raise or lower them) depending on credit market valuations. In the event that such changes were made, however, the Fund's investments would remain predominantly investment grade as defined herein.

- The Fund is managed by GM Trust Bank. As of September 30, 2003, the assets of the Fund were allocated among nine investment advisors.

Investment Advisors: BlackRock Financial Management, GM Investment Management, Goldman Sachs Asset Management, J.P. Morgan Investment Management, Lincoln Fixed Income Management, Pacific Investment Management Company, The Prudential Investment Corporation, Salomon Brothers Asset Management, and Smith Breeden Associates.

Promark High Yield Bond Fund (96286)

Objective: Seeks a high level of current income and capital appreciation by investing primarily in U.S. high yield fixed-income securities.

Category: U.S. High Yield Fixed Income

Benchmark: Credit Suisse First Boston High Yield Index

Investment Strategy:

- The Fund invests primarily in U.S. high yield fixed-income securities issued by corporations which are rated below investment grade (below Baa3/BBB-) by one or more of the nationally recognized rating agencies, are unrated but believed by an investment advisor to the Fund to have similar risk characteristics, or are rated investment grade or higher but are priced at yields comparable to securities rated below Baa3/BBB- and are believed by an investment advisor to the Fund to have similar risk characteristics. Emphasis is placed by the Fund's investment advisors on fundamental research and diversification to help minimize the risks of default and distress.
- The Fund invests in securities issued in either the public or private placement market. Investment in securities issued by any one entity is limited to 5% of the total market value of the Fund.
- The goal of the Fund is to outperform the high yield fixed-income market as measured by the Credit Suisse First Boston High Yield Index.¹⁰
- The Fund is managed by GM Trust Bank. As of September 30, 2003, the assets of the Fund were allocated among seven investment advisors.

Investment Advisors: DDJ Capital Management, Fidelity Management Trust, Lincoln Fixed Income Management, Nomura Capital, Oaktree Capital, Shenkman Capital Management, and W.R. Huff Asset Management.

Promark International Equity Fund (96287)

Objective: Seeks long-term capital appreciation.

Category: International Equity

Benchmark: Customized benchmark index (as described below)

Investment Strategy:

- The Fund invests primarily in listed equity securities issued by companies domiciled primarily in the developed countries/markets represented in the Morgan Stanley Capital International (MSCI) Europe and Pacific Indexes.
- The goal of the Fund is to outperform a customized benchmark index which is weighted 50% the MSCI Europe Index and 50% the MSCI Pacific Index. The benchmark is 50% hedged back into the U.S. dollar.¹¹
- The Fund utilizes a Currency Overlay Program where specialist currency managers actively manage foreign currency exposures. The Fund's exposure to fluctuations in the value of local market currencies versus the U.S. dollar can range from full exposure (unhedged) to no exposure (fully hedged back into the U.S. dollar) depending upon the views of the currency managers.
- The Fund assesses a 1% fee on redemptions (whether by exchange, withdrawal or loan) on Fund units held less than 30 days. The redemption fee applies to all units of the Fund acquired on or after June 1, 2003 and any assets that you held in these funds prior to June 1, 2003 are not subject to the redemption fee. The redemption fee is imposed to the extent that Fund units redeemed exceed Fund units that have been held more than 30 days. If the redemption fee applies, it will be assessed and automatically deducted from the value of any exchange, withdrawal, or loan out of the Fund. The redemption fee is paid to the Fund and is intended to help compensate the Fund for transaction costs, market impact and other costs generated by short-term trading activity.

¹⁰ The Credit Suisse First Boston High Yield Index is an unmanaged, trader-priced portfolio constructed to mirror the high yield debt market (revisions to the index are effected weekly). The index has several modules representing different sectors of the high yield market including a cash paying module, a zero fix module, a pay-in-kind module, and a defaulted module.

¹¹ The MSCI Europe Index is a market-capitalization-weighted, unmanaged index which as of September 30, 2003, contained approximately 540 stocks traded in 16 European markets. The MSCI Pacific Index is a market-capitalization-weighted, unmanaged index which as of September 30, 2003, contained approximately 465 stocks traded in 5 Pacific-region markets. The weighting of the two component indexes is rebalanced annually. Relative outperformance by one of the component indexes will cause it to represent more than 50% of the weighting of the customized index in between rebalancing dates. The 50% hedging of the customized index back into the U.S. dollar is performed using the following methodology: The returns for the MSCI Europe Index and the MSCI Pacific Index are published both on an unhedged basis and on a fully hedged basis. The unhedged return assumes no hedging of local currency exposure back into the U.S. dollar. The hedged return assumes that local currency exposure is 100% hedged back into the U.S. dollar, for each period measured. The return published for the hedged MSCI Europe Index is averaged (on an equally weighted basis) with the return for the unhedged MSCI Europe Index. The same approach is taken for the MSCI Pacific Index. The Fund's current customized benchmark has been in effect since January 1, 1996. Prior to that date, the countries and regions comprising the customized benchmark and their weightings were changed from time to time to reflect changes in the MSCI indexes and strategy relating to the international equity investments of the participating/investing U.S. employee retirement plans of General Motors Corporation and its subsidiaries.

- The Fund is managed by GM Trust Bank. As of September 30, 2003, the assets of the Fund were allocated among 19 investment advisors.

Investment Advisors: Alliance Bernstein, BlackRock International Limited, Bridgewater Associates, Capital Guardian Trust, Delaware International Advisors, Ltd., Fidelity Management Trust Company, GM Investment Management, Goldman Sachs Asset Management, Marathon Asset Management, Mercury Asset Management, International J.P. Morgan Investment Management, Morgan Stanley Asset Management, Nomura Asset Management, Pareto Partners, Putnam Advisory Company, T. Rowe Price International, UBS Global Asset Management, Schroder Investment Management North America, and State Street Bank and Trust Company

Promark Emerging Markets Equity Fund (96284)

Objective: Seeks long-term total return through capital appreciation, primarily through investing in the equity securities of companies in emerging market countries.

Category: Emerging Markets Equity

Benchmark: MSCI Emerging Markets Free Index

Investment Strategy:

- The Fund invests primarily in equity securities issued by companies domiciled in or conducting their primary business in the countries/markets represented in the MSCI Emerging Markets Free Index¹² or in other investment funds which invest in such types of securities.
- The goal of the Fund is to outperform the MSCI Emerging Markets Free Index.
- The Fund seeks to reduce volatility, ordinarily expected from emerging market investments, through country diversification.
- Although the Fund's investment advisors are permitted to hedge local market currency exposures back into the U.S. dollar, in practice most of the Fund's assets are unhedged because of the significant expense of maintaining a hedge of an emerging market currency. This means that the Fund's performance generally is fully impacted by fluctuations in the value of the local market currencies versus the U.S. dollar.
- The Fund assesses a 1% fee on redemptions (whether by exchange, withdrawal or loan) on Fund units held less than 30 days. The redemption fee applies to all units of the Fund acquired on or after June 1, 2003 and any assets that you held in these funds prior to June 1, 2003 are not subject to the redemption fee. The redemption fee is imposed to the extent that Fund units redeemed exceed Fund units that have

been held more than 30 days. If the redemption fee applies, it will be assessed and automatically deducted from the value of any exchange, withdrawal, or loan out of the Fund. The redemption fee is paid to the Fund and is intended to help compensate the Fund for transaction costs, market impact and other costs generated by short-term trading activity.

- The Fund is managed by GM Trust Bank. As of September 30, 2003, the assets of the Fund were allocated among six investment advisors.

Investment Advisors: Baillie Gifford Overseas, Ltd., Batterymarch Financial Management, The Boston Company, Capital International, Emerging Markets Management and Genesis Asset Managers

Promark Balanced Fund (96283)

Objective: Seeks long-term growth through capital appreciation and current income with a broadly diversified portfolio of stocks and bonds.

Category: Hybrid

Benchmark: Custom 60% Russell 1000 Index and 40% Salomon Broad Investment Grade (BIG) Index

Investment Strategy:

- The Fund invests primarily in the shares of other Promark Funds to implement an asset allocation strategy that provides diversification across a range of asset classes.
- The asset classes of the Fund may include U.S. large cap stocks, U.S. small cap stocks, international stocks, emerging markets stocks, U.S. high quality bonds, U.S. high yield bonds, and cash.
- The Fund's current target allocation is 60% for stocks and 40% for bonds, but the Fund has latitude in selecting other allocations of assets in which the Fund chooses to invest. The Fund will be rebalanced at least annually to the selected asset mix.
- GM Trust Bank serves as the manager for the Fund. The Fund's selected targeted allocation as of September 30, 2003, included the following component funds and weightings: 40% Promark Large Cap Blend Fund, 2.5% Promark Small Cap Value Fund, 2.5% Promark Small Cap Growth Fund, 12% split between the Promark International Equity Fund and State Street MSCI Europe Index Fund, 3% Promark Emerging Markets Equity Fund, 35% Promark High Quality Bond Fund, and 5% Promark High Yield Bond Fund. The component funds and their corresponding target allocations may be changed from time to time. Each of the component funds has its own investment policies and guidelines.

¹² The Morgan Stanley Capital International Emerging Markets Free Index is a market-capitalization-weighted, unmanaged index of over 620 stocks traded in 26 world markets.

- The goal of the Fund is to outperform a customized benchmark consisting of a composite of 60% Russell 1000 Index and 40% Salomon Broad Investment Grade (BIG) Index. The weighting of the two component indexes is rebalanced at least annually. Relative outperformance by one of the component indexes will cause it to represent more than the specified weighting of the customized index between rebalancing dates. In addition, the Fund's asset allocation is more diversified than that of the Fund's customized 60%/40% benchmark as the Fund's asset allocation includes exposure to international and emerging markets stocks and high yield bonds, which are not included in the component indices. Comparing the Fund's performance to a blend of indices that represents the Fund's actual target allocation may result in a different comparison than a comparison to the benchmark index, including for certain periods, a materially less favorable comparison.
- The Fund utilizes a tactical asset allocation overlay where quantitatively based asset allocation techniques are used to implement the manager's view about the relative attractiveness of different asset classes and individual markets. This overlay is managed by GM Investment Management and may involve the use of exchange-traded and over-the-counter derivatives.

Investment Advisors: See component Promark Funds. State Street Bank and Trust Company is the investment advisor for the State Street MSCI Europe Index Fund.

Promark Real Estate Securities Fund (96292)

Objective: Seeks current income that is above average relative to public equity funds and moderate growth of capital.

Category: Sector: Real Estate

Benchmark: Wilshire Real Estate Securities Index

Investment Strategy:

- The Fund invests primarily in the equity-oriented securities of companies which are principally engaged in the ownership, acquisition, development, financing, sale and/or management of income-producing real estate properties, both commercial and residential.
- The goal of the Fund is to outperform the Wilshire Real Estate Securities Index, a market-capitalization-weighted unmanaged index of publicly traded real estate securities, including real estate investment trusts (REITs) and real estate operating companies. As of September 30, 2003, the Index included 94 companies. Companies that are included in the Index are involved in the equity ownership and operation of commercial real estate and have a market capitalization of at least \$100 million.

- The Fund seeks to achieve its objective by evaluating one or more factors affecting the performance of real estate investments such as local market conditions, asset quality and management expertise, with the analysis based on the investment advisor's direct, active involvement with real estate investments in both the private and public markets as well as an extensive network of relationships with real estate operators and other industry participants.
- Investments in a single security will generally not exceed 10% of total Fund assets, although this percentage may be higher under certain circumstances.
- GM Trust Bank manages the Fund and has selected GM Investment Management as the Fund's investment advisor.

Investment Advisor: GM Investment Management

Delphi Common Stock Fund (94005)

Objective: Seeks long-term growth of capital and current income.

Category: U.S. Large Cap Value

Benchmark: Not applicable

Investment Strategy:

- The Fund invests solely in the shares of Delphi common stock, except for a small portion, ordinarily targeted at 1%, dedicated to short-term, fixed-income investments and money market instruments. These latter groups of securities provide liquidity for loans, withdrawals, and exchanges by participants in this Fund.
- Delphi is primarily a diversified supplier of components, integrated systems, and modules to the automotive industry.
- The Fund is not diversified.
- The price of Delphi common stock may fluctuate on any given day, as is the case for all equity securities. Because the Fund is not diversified, this fluctuation generally will cause greater variation in the Fund's unit price than a fund consisting of a diversified portfolio of stocks.
- The dividend on Delphi common stock is reviewed quarterly by the Delphi Board of Directors, and the dividend declared is based, among other factors, upon Delphi's future earnings and financial requirements.
- The Fund is a commingled fund managed by State Street Bank and Trust Company. GM Investment Management has selected State Street Bank and Trust Company as investment advisor for these assets.
- The Fund imposes a 1% redemption fee on assets that are held less than 30 days. The redemption fee is paid to the Fund and is intended to protect the Fund's

performance and remaining unit holders by discouraging frequent trading in response to short-term market fluctuations.

General Motors \$1-2/3 Par Value Common Stock Fund (94018)

NOTE: NO NEW CONTRIBUTIONS OR EXCHANGES INTO THE FUND WILL BE ACCEPTED.

Objective: Seeks long-term growth of capital and current income.

Category: U.S. Large Cap Value

Benchmark: Not applicable

Investment Strategy:

- The Fund invests solely in the shares of GM \$1-2/3 par value common stock, except for a small portion, ordinarily targeted at 1%, dedicated to short-term, fixed-income investments and money market instruments. These latter groups of securities provide liquidity for loans, withdrawals, and exchanges by participants in this Fund.
- GM's primary operations are in the motor vehicle products industry segment. GM also has financing and insurance operations.
- The Fund is not diversified.
- The price of GM \$1-2/3 par value common stock may fluctuate on any given day, as is the case for all equity securities. Because the Fund is not diversified, this fluctuation generally will cause greater variation in the Fund's unit price than a fund consisting of a diversified portfolio of stocks.
- The dividend on GM \$1-2/3 par value common stock is reviewed quarterly by the GM Board of Directors, and the dividend declared is based, among other factors, upon GM's future earnings and financial requirements.
- The Fund is a commingled fund managed by State Street Bank and Trust Company. GM Investment Management has selected State Street Bank and Trust Company as investment advisor for these assets.
- The Fund is not available for new investments.

The Hughes Separation

On December 22, 2003, GM, Hughes and News Corp completed a series of transactions pursuant to which: (1) Hughes was split off from GM through the exchange of one share of Hughes common stock for, and in redemption of, each outstanding share of GM Class H Common Stock, par value \$0.10 per share ("GM Class H common stock"); (2) GM sold its retained economic interest in Hughes to News Publishing Australia Limited ("NPAL"), a wholly-owned subsidiary of News Corp, for cash and News Corp Preferred ADSs; and (3) through the merger of

a wholly owned subsidiary of NPAL with and into Hughes, NPAL acquired from the former GM Class H common stockholders shares of Hughes common stock in exchange for News Corp Preferred ADSs.

If you held units of the General Motors Class H Common Stock Fund in your Program Account on December 22, 2003, your account was affected as follows:

The General Motors Class H Common Stock Fund was eliminated and all outstanding shares of Class H common stock were cancelled. Approximately 82% of the value of your holdings in such fund was converted into units of the new Hughes Common Stock Fund with the remaining value of your account converted into units of the new News Corporation Preferred ADS Fund.

Descriptions of the Hughes Common Stock Fund and the News Corporation Preferred ADS Fund follow below.

For further information on the Transaction and your Program account, please call the Delphi Investment Service Center at 1-877-389-2374.

Hughes Common Stock Fund (46699)

NOTE: NO NEW CONTRIBUTIONS OR EXCHANGES INTO THE FUND WILL BE ACCEPTED.

Objective: Seeks capital appreciation and other earnings

Category: U.S. Large Cap [Growth/Value]

Benchmark: Not Applicable

Investment Strategy:

- The Fund invests solely in the shares of Hughes common stock, except for a small portion, ordinarily targeted at 1%, dedicated to short-term fixed-income investments and money market instruments. This latter group of securities provides liquidity for loans, withdrawals and exchanges by fund participants.
- Hughes is a world-leading provider of digital television entertainment, broadband satellite networks and services and global video and data broadcasting.
- The Fund is not diversified.
- The price of Hughes common stock may fluctuate on any given day, as is the case for all equity securities. Because the Fund is not diversified, this fluctuation generally will cause greater variation in the Fund's unit price than a fund consisting of a diversified portfolio of stocks.
- Hughes does not anticipate that it will currently pay any cash dividends on the Hughes common stock since present and future earnings of Hughes will be retained for the development of Hughes' business. If cash dividends are paid on Hughes common stock, such dividends will be reinvested in the Promark Income Fund.

- The Fund is a commingled fund managed by State Street Bank and Trust Company. GM Investment Management has selected State Street Bank and Trust Company as investment advisor for these assets.
- The Fund is not available for new investments.

News Corporation Preferred ADS Fund (46701)

NOTE: NO NEW CONTRIBUTIONS OR EXCHANGES INTO THE FUND WILL BE ACCEPTED.

Objective: Seeks capital appreciation and other earnings

Category: U.S. Large Cap (Growth/Value)

Benchmark: Not Applicable

Investment Strategy:

- The Fund invests solely in News Corp Preferred ADSs, except for a small portion, ordinarily targeted at 1%, dedicated to short-term fixed-income investments and money market instruments. This latter group of securities provides liquidity for loans, withdrawals and exchanges by fund participants.
- News Corporation is a diversified international media and entertainment company with operations in eight industry segments: filmed television, entertainment; television; cable network programming; direct broadcast satellite television; magazines and inserts; newspapers; book publishing; and other. The activities of News Corporation are conducted principally in the United States, Continental Europe, the United Kingdom, Australia, Asia and the Pacific Basin.
- The Fund is not diversified.
- The price of News Corp Preferred ADSs may fluctuate on any given day, as is the case for all equity securities. Because the Fund is not diversified, this fluctuation generally will cause greater variation in the Fund's unit price than a fund consisting of a diversified portfolio of stocks.
- Each News Corp ADS represents four underlying News Corp preferred limited voting ordinary shares. Holders of News Corp Preferred ADSs (and the underlying shares) have no voting rights except in limited circumstances.
- If cash dividends are paid on News Corporation Preferred ADSs, such dividends will be reinvested in the Promark Income Fund.
- The Fund is a commingled fund managed by State Street Bank and Trust Company. GM Investment Management has selected State Street Bank and Trust Company as investment advisor for these assets.
- The Fund is not available for new investments.

Electronic Data Systems**Corporation Common Stock Fund (94034)**

NOTE: NO NEW CONTRIBUTIONS OR EXCHANGES INTO THE FUND WILL BE ACCEPTED.

Objective: Seeks long-term growth of capital and current income.

Category: U.S. Large Cap Value

Benchmark: Not applicable

Investment Strategy:

- The Fund invests solely in the shares of EDS common stock, except for a small portion, ordinarily targeted at 1%, dedicated to short-term, fixed-income investments and money market instruments. These latter groups of securities provide liquidity for loans, withdrawals, and exchanges by participants in this Fund.
- EDS is involved in systems and technology services, business process management, management consulting, and electronic business.
- The Fund is not diversified.
- The price of EDS common stock may fluctuate on any given day, as is the case for all equity securities. Because this Fund is not diversified, this fluctuation generally will cause greater variation in the Fund's unit price than a fund consisting of a diversified portfolio of stocks.
- The dividend on EDS common stock is reviewed quarterly by the EDS Board of Directors, and the dividend declared is based, among other factors, upon EDS's future earnings and financial requirements.
- The Fund is a commingled fund managed by State Street Bank and Trust Company. GM Investment Management has selected State Street Bank and Trust Company as investment advisor for these assets.
- The Fund is not available for new investments.

Raytheon Company Common Stock Fund (94029)

NOTE: NO NEW CONTRIBUTIONS OR EXCHANGES INTO THE FUND WILL BE ACCEPTED.

Objective: Seeks long-term growth of capital and current income.

Category: U.S. Large Cap Value

Benchmark: Not applicable

Investment Strategy:

- The Fund invests solely in the shares of Raytheon common stock, except for a small portion, ordinarily targeted at 1%, dedicated to short-term, fixed-income investments and money market instruments. These

latter groups of securities provide liquidity for loans, withdrawals, and exchanges by participants in this Fund.

- Raytheon is involved in the design, manufacturing, and servicing of advanced electronic devices, equipment, and systems for governmental and commercial customers (principally the defense business). Raytheon also has significant operations in the engineering and construction, aircraft, and appliances businesses.
- The Fund is not diversified.
- The price of Raytheon common stock may fluctuate on any given day, as is the case for all equity securities. Because this Fund is not diversified, this fluctuation generally will cause greater variation in the Fund's unit price than a fund consisting of a diversified portfolio of stocks.
- The dividend on Raytheon common stock is reviewed quarterly by the Raytheon Board of Directors, and the dividend declared is based, among other factors, upon Raytheon's future earnings and financial requirements.
- The Fund is a commingled fund managed by State Street Bank and Trust Company. GM Investment Management has selected State Street Bank and Trust Company as investment advisor for these assets.
- The Fund is not available for new investments.

Additional Information Specific to the Company Stock Funds

Each Company Stock Fund is a commingled fund managed by State Street Bank and Trust Company. GM Investment Management selected State Street Bank and Trust Company as investment manager of these assets. State Street Bank and Trust Company is responsible for (1) anticipating liquidity needs and maintaining sufficient cash levels to process participant transactions, (2) determining the daily number of shares of each common stock to be purchased or sold, and (3) obtaining the best prices for any purchases or sales.

Your investment in all of the Company Stock Funds, except the News Corporation Preferred ADS Fund, gives you the same proxy voting and tender rights as other common stock stockholders in that respective company (see "Voting or Tendering of the Delphi Common Stock, General Motors \$1-2/3 Par Value Common Stock, Hughes Common Stocks, EDS Common Stock, and Raytheon Common Stock"). As discussed above, holders of News Corporation Preferred ADS (and the underlying shares) have no voting rights except in limited circumstances.

The GM \$1-2/3 Par Value Common Stock Fund, the Hughes Common Stock Fund, the News Corporation Preferred ADS Fund, the Electronic Data Systems Corporation Common Stock Fund, and the Raytheon

Company Common Stock Fund are all RESTRICTED FUNDS in the Program. No new contributions or exchanges into these Restricted Funds are permitted. Any cash dividends on these Restricted Funds will be reinvested in the Promark Income Fund. If you have assets in any of these Restricted Funds you may, at any time, exchange your assets out of these Funds to any of the Program's other available investment options.

Additional Information Specific to the Promark Funds Managed by GM Trust Bank

Investment Objectives and Guidelines

Each Fund seeks to be fully invested. In addition to each Fund's primary investments described in each Investment Strategy section above, each Fund may invest in short-term money market instruments or vehicles such as bankers acceptances, commercial paper, certificates of deposit and other deposit accounts, repurchase agreements, money market mutual funds (including, subject to applicable law, those sponsored or advised by GMTB or any of its affiliates) and any short-term investment fund (including, subject to applicable law, those maintained by GMTB or any of its affiliates). A Fund may seek to achieve its investment objectives by investing all or a portion of its assets in other investment funds. Each Fund also may hold cash pending investment and as necessary for its orderly administration.

Although each Fund does not intend to seek short-term profits, securities in a Fund's portfolio will be sold whenever the relevant Fund investment manager believes it is appropriate to do so without regard to the length of time a particular security may have been held. Each Fund may purchase employer securities to the extent consistent with ERISA and applicable guidelines. Consistent with a Fund's objectives and applicable guidelines, it may from time to time purchase derivative securities to, among other reasons, provide liquidity, provide exposure not otherwise available, manage risk and implement investment strategies in a more efficient manner.

ACHIEVEMENT OF A FUND'S INVESTMENT OBJECTIVES CANNOT, OF COURSE, BE ASSURED DUE TO THE RISK OF CAPITAL LOSS FROM FLUCTUATING PRICES THAT ARE INHERENT IN INVESTMENTS IN SECURITIES.

Income and Capital Gains

The net income and realized and unrealized gains or losses of each Fund will be retained in each Fund and will be reflected in the unit values of each Fund.

Distributions

There is no distribution of income, dividends or capital gains to holders of Fund units. Such items are reflected in the unit value of each Fund.

PATHWAY THREE

Requires a higher level of involvement in constructing your total portfolio. You must review the individual Fidelity and other mutual fund prospectuses to determine each Fund's style, flexibility in varying from that style, and current portfolio composition to determine if each Fund meets your investment objective and, in the aggregate, contributes to your portfolio objective. Periodic review of each Fund's portfolio composition is also advisable as each Fund generally has flexibility to change its investment style from time to time as described in each Fund's prospectus. Performance return information on each Fund is provided with each quarterly account statement you receive. This information is available to you in detail on www.delphi401k.com.

U.S. EQUITY FUNDS

Large Cap Blend

- Domini Social Equity Fund*
- Fidelity *Contrafund**
- Fidelity Disciplined Equity Fund
- Fidelity Dividend Growth Fund
- Fidelity Export & Multinational Fund
- Fidelity *Fifty**
- Fidelity Fund
- Fidelity Growth & Income Portfolio
- Fidelity *Magellan** Fund
- Fidelity Stock Selector Fund
- Fidelity Trend Fund
- Neuberger Berman Socially Responsive Fund*—Trust Class

Large Cap Value

- Fidelity Equity-Income Fund
- Fidelity Equity-Income II Fund

Large Cap Growth

- Fidelity Blue Chip Growth Fund
- Fidelity Capital Appreciation Fund
- Fidelity Growth Company Fund
- Fidelity Independence Fund
- Fidelity OTC Portfolio

Mid Cap Value

- Fidelity Value Fund

Mid Cap Growth

- Fidelity Aggressive Growth Fund
- Fidelity Mid-Cap Stock Fund

Small Cap Blend

- Fidelity Low-Priced Stock Fund

Small Cap Growth

- Fidelity Small Cap Independence Fund

U.S. FIXED-INCOME FUNDS

High Quality

- *Spartan** Government Income Fund
- *Spartan** Investment Grade Bond Fund

High Yield

- Fidelity Capital & Income Fund

INTERNATIONAL FUNDS

International Funds

- Fidelity Canada Fund
- Fidelity Diversified International
- Fidelity Europe Fund
- Fidelity International Growth & Income Fund
- Fidelity Overseas Fund
- Fidelity Pacific Basin Fund
- Fidelity Worldwide Fund

Emerging Markets Equity Fund

- Fidelity Emerging Markets Fund

Emerging Markets Bond Fund

- Fidelity New Markets Income Fund

SPECIALTY/SECTOR FUNDS

Balanced/Hybrid Funds

- Fidelity Balanced Fund
- Fidelity Strategic Income Fund
- Fidelity *Puritan**
- Fidelity Global Balanced Fund
- Fidelity *Asset Manager: Income**
- Fidelity *Asset Manager*™
- Fidelity *Asset Manager: Growth**

Specialty/Sector Funds

- Fidelity Convertible Securities Fund
- Fidelity Real Estate Investment Portfolio
- Fidelity Utilities Fund

***Additional Information Specific to
Fidelity and Other Mutual Funds***

Descriptions in this Prospectus of the Fidelity and other mutual funds available to you under the Program are summary in nature and have been provided by Fidelity or the other mutual fund managers. Fidelity Management & Research Company manages the Fidelity mutual funds. **IT IS YOUR RESPONSIBILITY TO OBTAIN AND READ THE SEPARATE PROSPECTUS FOR EACH FIDELITY AND OTHER MUTUAL FUND IN WHICH YOU WISH TO INVEST BEFORE YOU MAKE YOUR INVESTMENT.** Each Fidelity and other mutual fund prospectus contains additional information on the Fund's objectives, risks, fees, exchanges, redemptions, securities lending, and its use of derivatives. Certain Fidelity mutual funds carry a sales charge (load); however, these charges are waived for Program participants. Certain mutual funds, typically those whose securities have high trading costs, may impose a redemption fee if an investment is held for less than a stated period (this fee is paid to the mutual fund and is intended to protect the Fund's performance and remaining shareholders by discouraging frequent trading in response to short-term market fluctuations). If applicable, these fees are disclosed in the individual mutual fund prospectuses. You may obtain copies of any Fidelity and other mutual fund prospectus by accessing the Program's website at www.delphi401k.com or by calling the Investment Service Center at 1-877-389-2374.

***Brief Descriptions of the Fidelity and
Other Mutual Funds***

U.S. EQUITY FUNDS

Domini Social Equity Fund® (93967)

The Fund is an index fund, and holds all the stocks that make up the Domini 400 Social IndexSM in approximately the same proportions as they are represented in the index. The Fund includes companies with positive records in community involvement, the environment, employee relations, and hiring practices. It avoids companies with significant revenues from alcohol, tobacco, gambling, nuclear power, and weapons contracting. Share price and return will vary. Advised by Domini Social Investments LLC, and sub-managed by SSgA Funds Management, Inc. Distributed by DSIL Investment Services LLC, which provided the description for the Fund. Domini 400 Social IndexSM is a service mark of KLD Research & Analytics, Inc. (KLD) which is used under license. KLD is the owner of the Domini 400 Social Index. KLD determines the composition of the Domini 400 Social Index but is not the manager of the Domini Social Index Portfolio, the Domini Social Equity Fund, or the Domini Institutional Social Equity Fund. It is an index comprising stocks selected according to social criteria.

Fidelity Aggressive Growth Fund (00324)

The Fund seeks to provide capital appreciation by normally investing primarily in common stocks. The Fund invests in companies that the manager believes offer the potential for accelerated earnings or revenue growth. The Fund focuses on investments in medium-sized companies, but may also invest substantially in larger or smaller companies. Investments in mid-sized companies may involve greater risk than those in larger, more well known companies, but may be less volatile than investments in smaller companies. The Fund may invest in securities of domestic and foreign issuers. If you sell any of your shares after holding them for less than 90 days, the Fund will deduct a short-term trading fee from your account equal to 1.5% of the value of the shares sold. Share price and return will vary.

Fidelity Blue Chip Growth Fund (00312)

The Fund seeks to provide growth of capital over the long term by normally investing primarily in common stocks of well-known and established companies. The Fund normally invests at least 80% of its assets in blue chip companies (those with a market capitalization of at least \$200 million if the company's stock is included in the S&P 500® Index or the Dow Jones Industrial Average, or \$1 billion if not included in either index). The Fund may also invest in companies that the manager believes have above-average growth potential. The Fund may invest in securities of domestic and foreign issuers. Share price and return will vary. The Dow Jones Industrial Average is an unmanaged index composed of common stocks of major industrial companies, and assumes reinvestment of dividends. The S&P 500® Index is a registered service mark of The McGraw-Hill Companies, Inc., and has been licensed for use by Fidelity Distributors Corporation and its affiliates. It is an unmanaged index of the common stock prices of 500 widely held U.S. stocks that includes the reinvestment of dividends.

Fidelity Capital Appreciation Fund (00307)

The Fund seeks to provide capital appreciation by normally investing primarily in common stocks. The Fund may invest in securities of domestic and foreign issuers. Share price and return will vary.

Fidelity Contrafund® (00022)

The Fund seeks to provide capital appreciation by normally investing primarily in common stocks. The Fund may invest in securities of domestic and foreign issuers whose value the Fund's manager believes is not fully recognized by the public. The Fund may invest in "growth" or "value" stocks, or both. Share price and return will vary.

Fidelity Disciplined Equity Fund (00315)

The Fund seeks to provide capital growth by normally investing at least 80% of its assets in common stocks. The manager seeks to reduce the impact of industry weightings on the Fund's performance relative to the S&P 500® Index. The Fund may invest in securities of domestic and foreign issuers. Share price and return will vary. The S&P 500® Index is a registered service mark of The McGraw-Hill Companies, Inc., and has been licensed for use by Fidelity Distributors Corporation and its affiliates. It is an unmanaged index of the common stock prices of 500 widely held U.S. stocks that includes the reinvestment of dividends.

Fidelity Dividend Growth Fund (00330)

The Fund seeks to provide capital appreciation by normally investing at least 80% of its assets in equity securities. The Fund normally invests primarily in common stocks of companies that pay dividends or that Fidelity Management & Research Company (FMR) believes have the potential to pay dividends in the future. The Fund may invest in securities of domestic and foreign issuers. It is important to note that the Fund does not invest for income. Share price and return will vary.

Fidelity Equity-Income Fund (00023)

The Fund seeks to provide reasonable income. In pursuing this objective, the Fund will also consider the potential for capital appreciation. The Fund seeks to provide a yield that exceeds the composite yield of the S&P 500® Index. The Fund normally invests at least 80% of its assets in income-producing equity securities, which tends to lead to investments in large cap "value" stocks. The Fund may potentially invest in other types of equity and debt securities, including lower-quality debt securities. Lower-quality debt securities involve greater risk of default or price changes due to potential changes in the credit quality of the issuer. The Fund may invest in securities of domestic and foreign issuers. Share price and return will vary. The S&P 500® Index is a registered service mark of The McGraw-Hill Companies, Inc., and has been licensed for use by Fidelity Distributors Corporation and its affiliates. It is an unmanaged index of the common stock prices of 500 widely held U.S. stocks that includes the reinvestment of dividends.

Fidelity Equity-Income II Fund (00319)

The Fund seeks to provide reasonable income. In pursuing this objective, the Fund will also consider the potential for capital appreciation. The Fund seeks to provide a yield that exceeds the composite yield of the S&P 500® Index. The Fund normally invests at least 80% of its assets in income-producing equity securities, which tends to lead to investments in large cap "value" stocks. The Fund may potentially invest in other types of equity securities and debt securities, including lower-quality debt securities. Lower-quality debt securities involve greater risk of

default or price changes due to potential changes in the credit quality of the issuer. The Fund may invest in securities of domestic or foreign issuers. Share price and return will vary. The S&P 500® Index is a registered service mark of The McGraw-Hill Companies, Inc., and has been licensed for use by Fidelity Distributors Corporation and its affiliates. It is an unmanaged index of the common stock prices of 500 widely held U.S. stocks that includes the reinvestment of dividends.

Fidelity Export and Multinational Fund (00332)

The Fund seeks long-term growth of capital by normally investing in common stocks, including "growth" and "value" stocks, or both. The Fund normally invests in securities of U.S. companies that are expected to benefit from exporting or selling their goods or services outside the United States. Export and multinational companies can be significantly affected by political, economic, and regulatory developments in foreign markets. The Fund is considered non-diversified and can invest a greater portion of its assets in securities of individual issuers than a diversified fund might, which may cause greater share price fluctuation. The Fund may potentially invest in securities of foreign issuers and companies that are not export or multinational companies. If you sell any of your shares after holding them for less than 30 days, the Fund will deduct a short-term trading fee from your account equal to 0.75% of the value of the shares sold. Share price and return will vary.

Fidelity Fifty* (00500)

The Fund seeks to provide capital appreciation by investing primarily in common stocks of companies that the manager believes have the greatest potential for growth. The Fund normally invests in 50-60 stocks of both domestic and foreign issuers. The Fund is considered non-diversified and can invest a greater portion of its assets in securities of individual issuers than a diversified fund might, which may cause greater share price fluctuation. If you sell any of your shares after holding them for less than 30 days, the Fund will deduct a short-term trading fee from your account equal to 0.75% of the value of the shares sold. Share price and return will vary.

Fidelity Fund (00003)

The Fund seeks to provide long-term capital growth by normally investing primarily in common stocks. The Fund may potentially invest a portion of its assets in bonds, including lower-quality debt securities. Lower-quality debt securities involve greater risk of default or price changes due to potential changes in the credit quality of the issuer. The Fund may invest in securities of domestic and foreign issuers. Share price and return will vary.

Fidelity Growth Company Fund (00025)

The Fund seeks to provide capital appreciation by normally investing primarily in common stocks. The Fund

invests in companies that the manager believes have above-average growth potential. The Fund may invest in securities of domestic and foreign issuers. Share price and return will vary.

Fidelity Growth & Income Portfolio (00027)

The Fund seeks to provide high total return through a combination of current income and capital appreciation by normally investing a majority of its assets in common stocks with a focus on those that pay current dividends and show potential for capital appreciation. The Fund may potentially invest in bonds, including lower-quality debt securities, as well as in stocks that are not currently paying dividends, but that offer prospects for future income or capital appreciation. Lower-quality debt securities involve greater risk of default or price changes due to potential changes in the credit quality of the issuer. The Fund may invest in securities of domestic and foreign issuers. Share price and return will vary.

Fidelity Independence Fund (00073)

The Fund seeks to provide capital appreciation by normally investing primarily in common stocks of domestic and foreign issuers. The Fund may realize capital gains without considering the tax consequences to shareholders. Share price and return will vary.

Fidelity Low-Priced Stock Fund (00316)

The Fund seeks to provide capital appreciation by normally investing at least 80% of its assets in low-priced stocks (those priced at or below \$35 per share), which can lead to investments in small and medium-sized companies. The Fund may potentially invest in stocks not considered low priced. Investments in smaller companies may involve greater risk than those of larger, more well known companies. The Fund may invest in securities of domestic and foreign issuers. The Fund may invest in "growth" or "value" stocks, or both. If you sell any of your shares after holding them for less than 90 days, the Fund will deduct a short-term trading fee from your account equal to 1.5% of the value of the shares sold. Share price and return will vary.

Fidelity Magellan® Fund (00021)

The Fund seeks to provide capital appreciation by normally investing primarily in common stocks. The Fund may invest in securities of domestic and foreign issuers. The Fund may invest in "growth" or "value" stocks, or both. Not more than 40% of the Fund's assets may be invested in companies operating exclusively in any one foreign country. Share price and return will vary.

Fidelity Mid-Cap Stock Fund (00337)

The Fund seeks to provide long-term growth of capital by normally investing at least 80% of its assets in common stocks of companies with medium market capitalizations

(those with market capitalizations similar to companies in the Russell Midcap® Index or the S&P® MidCap 400 Index). The Fund may potentially invest in companies with smaller or larger market capitalizations. Investments in mid-sized companies may involve greater risk than those of larger, more well known companies, but may be less volatile than investments in smaller companies. The Fund may invest in securities of domestic and foreign issuers. If you sell any of your shares after holding them for less than 30 days, the Fund will deduct a short-term trading fee from your account equal to 0.75% of the value of the shares sold. Share price and return will vary. The Russell Midcap® Index is an unmanaged market capitalization-weighted index of medium-capitalization U.S. company stocks. The S&P® MidCap 400 Index is an unmanaged market capitalization-weighted index of 400 medium-capitalization stocks.

Fidelity OTC Portfolio (00093)

The Fund seeks to provide capital appreciation by normally investing primarily in common stocks. The Fund normally invests at least 80% of its assets in securities principally traded on the NASDAQ® or another over-the-counter (OTC) market, which has more small and medium-sized companies than other markets. The Fund may potentially invest in non-OTC securities. The Fund will invest more than 25% of its assets in the technology sector. The Fund is considered to be non-diversified and can invest a greater portion of its assets in securities of individual issuers than a diversified fund might, which may cause greater share price fluctuation. The Fund may invest in securities of domestic and foreign issuers. Securities traded on the OTC market tend to be from smaller or newer companies, which generally involve greater investment risk than investments in larger, more well known companies. Share price and return will vary.

Fidelity Small Cap Independence Fund (00336)

The Fund seeks to provide capital appreciation by normally investing primarily in common stocks. The Fund normally invests at least 80% of its assets in securities of companies with small market capitalization (those with market capitalization similar to companies in the Russell 2000® Index or the S&P® SmallCap 600 Index). Investments in smaller companies may involve greater risk than those in larger, more well known companies. The Fund may invest in securities of domestic and foreign issuers. If you sell any of your shares after holding them for less than 90 days, the Fund will deduct a short-term trading fee from your account equal to 1.5% of the value of the shares sold. Share price and return will vary. The Russell 2000® Index is an unmanaged index composed of the 2,000 smallest securities in the Russell 3000® Index and includes reinvestment of dividends. The S&P® SmallCap 600 Index is an unmanaged market capitalization-weighted index of 600 small-capitalization stocks.

Fidelity Stock Selector (00320)

The Fund seeks to provide capital growth by normally investing at least 80% of its assets in common stocks. The Fund may invest in either "growth" or "value" stocks, or both. The Fund may invest in securities of domestic and foreign issuers. Share price and return will vary.

Fidelity Trend Fund (00005)

The Fund seeks to provide growth of capital by normally investing primarily in common stocks. The manager studies momentum in trends of individual companies, industries, and general market security prices and earnings. The Fund may invest in "growth" or "value" stocks, or both. The Fund invests in securities of domestic and foreign issuers. Share price and return will vary.

Fidelity Value Fund (00039)

The Fund seeks to provide capital appreciation by normally investing primarily in common stocks. The Fund invests in securities of companies that possess valuable fixed assets or that the manager believes are undervalued in the marketplace in relation to factors such as assets, earnings, or growth potential. Such stocks can continue to be "undervalued" by the market for long periods of time, and might never realize their full value. The Fund may invest in securities of domestic and foreign issuers. Share price and return will vary.

Neuberger Berman Socially Responsive Fund¹—Trust Class (93895)

The Fund invests primarily common stocks of value companies that meet both the Fund's social policy and financial criteria. The managers initially screen companies using value investing criteria. Among companies that meet these criteria, they look for companies that show leadership in major areas of social impact, such as the environment, workplace and community. They also consider companies' records in other areas, such as public health and the impact of their products. Share price and return will vary. Trust shares are available through the plan. The Fund is managed by Neuberger Berman Management Inc., which provided the description for this Fund.

U.S. FIXED-INCOME FUNDS**Fidelity Capital & Income Fund (00038)**

The Fund seeks to provide a combination of income and capital growth by investing in equity and debt securities, including defaulted securities, with an emphasis on lower-quality debt securities. Lower-quality debt securities involve greater risk of default or price changes due to potential changes in the credit quality of the issuer. The Fund invests in companies in troubled or uncertain financial condition. The Fund may invest in securities of domestic and foreign issuers. If you sell any of your shares after holding them for less than 90 days, the Fund will deduct a short-term trading fee from your account equal to 1% of the value of the shares sold. Share price and return will vary.

Spartan® Government Income Fund (00453)

The Fund seeks to provide a high level of current income by normally investing at least 80% of its assets in U.S. Government securities, and in repurchase agreements for those securities. The Fund also may invest in instruments related to U.S. Government securities. The Fund is managed to have similar overall interest rate risk to that of the Lehman Brothers Government Bond Index. The Fund may invest in securities with different maturities. Investments in the Fund are not guaranteed or insured by the FDIC or any other government agency. Share price, yield, and return will vary. The Lehman Brothers Government Bond Index is an unmanaged market value-weighted index of U.S. Government and government agency securities (other than mortgage securities) with maturities of one year or more.

Spartan® Investment Grade Bond Fund (00448)

The Fund seeks to provide a high a level of current income by normally investing at least 80% of its assets in investment-grade debt securities. The Fund is managed to have similar overall interest rate risk to that of the Lehman Brothers Aggregate Bond Index. An investment in this portfolio is not guaranteed or insured by the FDIC, or any other government agency. Share price, yield, and return will vary. The Lehman Brothers Aggregate Bond Index is an unmanaged market value-weighted index of investment-grade fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities, with maturities of one year or more.

INTERNATIONAL FUNDS**Fidelity Canada Fund (00309)**

The Fund seeks to provide long-term growth of capital by normally investing at least 80% of its assets in securities of issuers that have their principal activities in Canada or registered in Canadian markets. Foreign investments involve greater risk and may offer greater potential returns than U.S. investments. This risk includes political and economic uncertainties of foreign countries, as well as the risk of currency fluctuation. There is additional risk involved in investing in one geographic location. If you sell any of your shares after holding them for less than 90 days, the Fund will deduct a short-term trading fee from your account equal to 1.5% of the value of the shares sold. Share price and return will vary.

Fidelity Emerging Markets Fund (00322)

The Fund seeks to provide capital appreciation by normally investing at least 80% of its assets in securities of issuers in emerging markets. The Fund normally invests primarily in common stocks. Foreign investments, especially those in emerging markets, involve greater risk and may offer greater potential returns than U.S. investments. This risk includes political and economic uncertainties of foreign countries, as well as the risk of currency fluctuation. If you sell any of your shares after holding them for

less than 90 days, the Fund will deduct a short-term trading fee from your account equal to 1.5% of the value of the shares sold. Share price and return will vary.

Fidelity Diversified International Fund (00325)

The Fund seeks to provide capital growth by normally investing primarily in foreign securities. The Fund normally invests primarily in common stocks. Foreign investments, especially those in emerging markets, involve greater risk and may offer greater potential returns than U.S. investments. This risk includes political and economic uncertainties of foreign countries, as well as the risk of currency fluctuation. If you sell your shares after holding them for less than 30 days, the Fund will deduct a short-term trading fee from your account equal to 1% of the value of the shares sold. Share price and return will vary.

Fidelity Europe Fund (00301)

The Fund seeks to provide long-term growth of capital by normally investing at least 80% of its assets in securities of issuers that have their principal activities in Europe. The Fund normally invests primarily in common stocks. Foreign investments, especially those in emerging markets, involve greater risk and may offer greater potential returns than U.S. investments. This risk includes political and economic uncertainties of foreign countries, as well as the risk of currency fluctuation. There is additional risk involved in investing in one geographic location. If you sell any of your shares after holding them for less than 30 days, the Fund will deduct a short-term trading fee from your account equal to 1% of the value of the shares sold. Share price and return will vary.

Fidelity International Growth & Income Fund (00305)

The Fund seeks to provide capital growth and current income consistent with reasonable investment risk by normally investing primarily in foreign securities. The Fund normally invests a majority of its assets in common stocks, with a focus on those that pay current dividends and show potential for capital appreciation. The Fund may potentially invest in debt securities, including lower-quality debt securities. Foreign investments, especially those in emerging markets, involve greater risk and may offer greater potential returns than U.S. investments. This risk includes political and economic uncertainties of foreign countries, as well as the risk of currency fluctuation. Lower-quality debt securities involve greater risk of default or price changes due to potential changes in the credit quality of the issuer. If you sell any of your shares after holding them for less than 30 days, the Fund will deduct a short-term trading fee from your account equal to 1% of the value of the shares sold. Share price and return will vary.

Fidelity New Markets Income Fund (00331)

The Fund seeks to provide high current income. As a secondary objective the Fund seeks to provide capital appreciation. The Fund normally invests at least 80% of its assets in debt securities of issuers in emerging markets. The Fund may potentially invest in other types of securities, including equity securities of emerging market issuers, debt securities of non-emerging market foreign issuers, and lower-quality debt securities of U.S. issuers. The Fund may invest up to 35% of its assets in these securities, but does not anticipate that these investments will exceed 20% of the Fund's assets. Lower-quality debt securities involve greater risk of default or price changes due to potential changes in the credit quality of the issuer. The Fund normally diversifies investments across different emerging market countries. The Fund is considered non-diversified as to issuer and may invest a greater portion of its assets in securities of individual issuers than a diversified fund might, which may cause greater share price fluctuation. Foreign investments, especially those in emerging markets, involve greater risk and may offer greater potential returns than U.S. investments. This risk includes political and economic uncertainties of foreign countries, as well as the risk of currency fluctuation. There is additional risk involved with investing in one geographic location. If you sell any of your shares after holding them for less than 90 days, the Fund will deduct a short-term trading fee from your account equal to 1% of the value of the shares sold. Share price and return will vary.

Fidelity Overseas Fund (00094)

The Fund seeks to provide long-term growth of capital by normally investing at least 80% of its assets in foreign securities. The Fund normally invests primarily in common stocks. Foreign investments, especially those in emerging markets, involve greater risk and may offer greater potential returns than U.S. investments. This risk includes political and economic uncertainties of foreign countries, as well as the risk of currency fluctuation. If you sell any of your shares after holding them for less than 30 days, the Fund will deduct a short-term trading fee from your account equal to 1% of the value of the shares sold. Share price and return will vary.

Fidelity Pacific Basin Fund (00302)

The Fund seeks to provide long-term growth of capital by normally investing at least 80% of its assets in securities of issuers that have their principal activities in the Pacific Basin. The Fund normally invests primarily in common stocks. Foreign investments, especially those in emerging markets, involve greater risk and may offer greater potential returns than U.S. investments. This risk includes political and economic uncertainties of foreign countries, as well as the risk of currency fluctuation. There is additional risk involved with investing in one geographic location. If

you sell any of your shares after holding them for less than 90 days, the Fund will deduct a short-term trading fee from your account equal to 1.5% of the value of the shares sold. Share price and return will vary.

Fidelity Worldwide Fund (00318)

The Fund seeks to provide capital growth by normally investing in securities issued anywhere in the world. The Fund normally invests primarily in common stocks. Foreign investments, especially those in emerging markets, involve greater risk and may offer greater potential returns than U.S. investments. This risk includes political and economic uncertainties of foreign countries, as well as the risk of currency fluctuation. If you sell any of your shares after holding them for less than 30 days, the Fund will deduct a short-term trading fee from your account equal to 1% of the value of the shares sold. Share price and return will vary.

SPECIALTY/SECTOR FUNDS

Fidelity Asset Manager: Income® (00328)

The Fund seeks to provide a high level of current income by allocating its assets among stocks, bonds, short-term instruments and other investments. The Fund may also consider the potential for capital appreciation. The manager allocates the Fund's assets among stocks, bonds, and short-term and money market instruments. The Fund's investments will normally fluctuate around a neutral mix of 20% stocks (can range from 10% to 30%), 50% bonds (can range from 40% to 60%), and 30% short-term/money market instruments (can range from 10% to 50%). The manager regularly reviews the Fund's allocations, and makes changes gradually to favor investments believed to provide the most favorable outlook for achieving the Fund's objective. The Fund may invest in securities of domestic and foreign issuers. Share price and return will vary.

Fidelity Asset Manager™ (00314)

The Fund seeks to provide a high total return with reduced risk over the long term by allocating its assets among stocks, bonds, and short-term instruments. The manager allocates the Fund's assets among stocks, bonds, and short-term and money market instruments. The Fund's investments will normally fluctuate around a neutral mix of 50% of assets in stocks (can range from 30% to 70%), 40% of assets in bonds (can range from 20% to 60%), and 10% of assets in short-term/money market instruments (can range from 0% to 50%). The manager regularly reviews the Fund's allocations, and makes changes gradually to favor investments believed to provide the most favorable outlook for achieving the Fund's objective. The Fund may invest in securities of domestic and foreign issuers. Share price, yield, and return will vary.

Fidelity Asset Manager: Growth® (00321)

The Fund seeks to maximize total return over the long term by allocating its assets among stocks, bonds, short-term instruments, and other investments. The manager allocates the Fund's assets among domestic and foreign stocks, bonds, and short-term and money market investments. The Fund's investments will normally fluctuate around a neutral mix of 70% stocks (can range from 50% to 100%), 25% bonds (can range from 0% to 50%) and 5% short-term and money market investments (can range from 0% to 50%). The manager regularly reviews the Fund's allocations, and makes changes gradually to favor investments believed to provide the most favorable outlook for achieving the Fund's objectives. The Fund may invest in securities of domestic and foreign issuers. Share price and return will vary.

Fidelity Balanced Fund (00304)

The Fund seeks to provide income and capital growth consistent with reasonable risk by normally investing approximately 60% of its assets in stocks and other equity securities, and the remainder in bonds and other debt securities, including lower-quality debt securities, when the outlook for the markets is neutral. Lower-quality debt securities involve greater risk of default or price changes due to potential changes in the credit quality of the issuer. The Fund will invest at least 25% of its assets in fixed income senior securities (including debt securities and preferred stocks). The Fund may invest in securities of domestic and foreign issuers. Share price and return will vary.

Fidelity Convertible Securities Fund (00308)

The Fund seeks to provide high total return through a combination of current income and capital appreciation by normally investing at least 80% of its assets in convertible securities, which are often lower-quality debt securities. Convertible securities perform more like a stock when the underlying share price is high, and more like a bond when the underlying share price is low. Lower-quality debt securities involve greater risk of default or price changes due to potential changes in the credit quality of the issuer. The Fund may potentially invest in other types of securities, including common stocks. The Fund may invest in securities of domestic and foreign issuers. Share price and return will vary.

Fidelity Global Balanced Fund (00334)

The Fund seeks to provide income and capital growth consistent with reasonable risk by normally investing in equity and debt securities, including lower-quality debt securities issued anywhere in the world. The Fund invests at least 25% of its assets in fixed-income senior securities (including debt securities and preferred stock). Foreign investments, especially those in emerging markets, involve greater risk and may offer greater potential returns than U.S. investments. This risk includes political and economic uncertainties of foreign countries, as well

as the risk of currency fluctuation. Lower-quality debt securities involve greater risk of default or price changes due to potential changes in the credit quality of the issuer. If you sell any of your shares after holding them for less than 30 days, the Fund will deduct a short-term trading fee from your account equal to 1% of the value of the shares sold. Share price and return will vary.

Fidelity Strategic Income Fund (00368)

The Fund seeks to provide a high level of current income and may also seek capital appreciation by investing primarily in debt securities, including lower-quality debt. The Fund allocates its assets among four general investment categories using a neutral mix of approximately 40% high yield, 30% U.S. Government and investment-grade, 15% emerging markets, and 15% foreign developed markets. The Fund may potentially invest in equity securities. Lower-quality debt securities involve greater risk of default or price changes due to potential changes in the credit quality of the issuer. Foreign investments, especially those in emerging markets, involve greater risk and may offer greater potential returns than U.S. investments. This risk includes political and economic uncertainties of foreign countries, as well as the risk of currency fluctuation. Share price, yield and return will vary.

Fidelity Puritan® Fund (00004)

The Fund seeks to provide income and capital growth consistent with reasonable risk by normally investing approximately 60% of its assets in stocks and other equity securities and the remainder in bonds and other debt securities, including lower-quality debt securities, when the outlook for the markets is neutral. Lower-quality debt securities involve greater risk of default or price changes due to potential changes in the credit quality of the issuer. The Fund will invest at least 25% of its assets in fixed income senior securities (including debt securities and preferred stocks). The Fund may invest in securities of domestic and foreign issuers. Share price and return will vary.

Fidelity Real Estate Investment Portfolio (00303)

The Fund seeks to provide above-average income and long-term capital growth, consistent with reasonable investment risk. The Fund seeks to provide a yield that exceeds the composite yield of the S&P 500® Index. The Fund normally invests at least 80% of its assets in equity securities of companies principally engaged in the real estate industry. The Fund may invest in securities of domestic and foreign issuers. The Fund is considered non-diversified and can invest a greater portion of its assets in securities of individual issuers than a diversified fund might, which may cause greater share price fluctuation. Due to their narrower focus, sector funds tend to be more volatile than funds that diversify across many sectors. If you sell any of your shares after holding them for less than 90 days, the Fund will deduct a short-term trading fee from your account equal to 0.75% of the value of the shares sold. Share price

and return will vary. The S&P 500® Index is a registered service mark of The McGraw-Hill Companies, Inc., and has been licensed for use by Fidelity Distributors Corporation and its affiliates. It is an unmanaged index of the common stock prices of 500 widely held U.S. stocks that includes the reinvestment of dividends.

Fidelity Utilities Fund (00311)

The Fund seeks to provide high total return through a combination of current income and capital appreciation by normally investing primarily in common stocks. The Fund normally invests at least 80% of its assets in securities of utility companies. Investments tend to emphasize those utility companies with strong growth potential rather than high current dividends. The Fund may invest in securities of domestic and foreign issuers. Due to their narrow focus, sector funds tend to be more volatile than funds that diversify across many sectors. Share price and return will vary.

MISCELLANEOUS INFORMATION ABOUT INVESTMENT OPTIONS

Performance Returns

Performance return information on all the Program's investment funds, including performance information as of the end of the most recent calendar quarter, is disclosed in the Program's quarterly Performance Summary, which is provided with each quarterly account statement you receive. The Performance Summary is also available on the Program's website at www.delphi401k.com.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS. ADDITIONALLY, FUNDS MAY HAVE SUSTAINED GAINS OR LOSSES RECENTLY DUE TO MARKET VOLATILITY OR OTHER REASONS. ACCORDINGLY, PERFORMANCE FOR A FUND FOR DATES SUBSEQUENT TO THE DATE OF THE MOST RECENT PERFORMANCE SUMMARY MAY BE DIFFERENT THAN THE PERFORMANCE STATED ON THE MOST RECENT PERFORMANCE SUMMARY. Please visit the Program's website at www.delphi401k.com, or call the Investment Service Center at 1-877-389-2374 for performance information.

Additionally, performance return information on the Program's investment funds, current as of the end of the most recent calendar quarter, is displayed on the Quarterly Fund Profiles, which can be obtained by accessing the Program's website at www.delphi401k.com or by calling the Investment Service Center at 1-877-389-2374.

Account Valuation Information

Your investment in each Promark Fund and Company Stock Fund is expressed in terms of units. Your investment in each Fidelity and other mutual fund is expressed in terms of shares. The number of units/shares credited to your Program account depends on the amount of your contributions, dividends (if applicable), and the purchase price of a unit/share in the fund. The daily value of your

Program account is determined by multiplying the number of units/shares of each fund in your account by its respective current net asset value. You may obtain the value of your Program account as of the close of business on the prior Business Day by accessing the Program's website at www.delphi401k.com or by calling the Investment Service Center at any time at 1-877-389-2374.

Electronic Funds Transfer (EFT)

When you request a loan, withdrawal, or elect to receive eligible Delphi common stock dividends in cash from your S-SPP account through www.delphi401k.com, you can have the proceeds transferred electronically to your bank account instead of waiting for a check. In addition, any requests to receive eligible Delphi common stock dividends or withdrawals through the Investment Service Center at 1-877-389-2374 may also be electronically deposited to your bank account. Currently loans processed through a Service Center Representative or the voice response system (VRS) cannot be electronically deposited. If you will be requesting an online loan, a withdrawal, or Delphi common stock dividend in the future and would like to take advantage of EFT, you will need to have the service established in advance. The setup involves a process known as a "pre-note" and can be initiated online through the S-SPP website by clicking on "Electronic Funds Transfer," under the My Profile section, or by calling the Investment Service Center at 1-877-389-2374. It generally requires six business days to complete the EFT set-up process.

Withdrawals and Distributions

When you take a withdrawal or distribution from your account, your assets are settled in cash. For assets in any of the Company Stock Funds only, you may choose to receive cash or a stock certificate. Any fractional share will be paid in cash. If you request a stock certificate, you may register it in your name alone, or in your name with your spouse as "joint tenants with the right of survivorship," but not as "tenants in common."

FUND EXCHANGES

Except as provided below, all, or part, of your assets in current or Unrestricted (not subject to the Required Retention Period) classes may be exchanged, in 1% increments or whole dollar amounts, between any of the investment options offered under the Program. An exchange must consist of assets having a Current Market Value of at least \$500; or, if less, all the assets in the Fund. No exchange of assets into the GM \$1-2/3 Par Value Common Stock Fund, Hughes Common Stock Fund, News Corporation Preferred ADS Fund, EDS Common Stock Fund, or the Raytheon Company Common Stock Fund is permitted. There is generally no charge or fees for your exchanging assets; however, a few funds, typically those whose securities have high trading costs, may impose a redemption fee on your exchange if you held that investment for less than a stated period (this fee is

paid to the Fund and is designed to help protect the Fund's performance and shareholders by discouraging frequent trading in response to short-term market fluctuations). Such fees are disclosed in the individual Fund prospectuses, or for the Promark Funds and the Company Stock Funds, in the quarterly Performance Summary, constituting part of this Prospectus, provided to you with each quarterly account statement.

The provision to exchange assets between any of the investment options offered under the Program does not apply to your contributions, Delphi matching contributions, the 1% Delphi Benefit Contribution, and earnings on such contributions required to be invested in the Delphi Common Stock Fund during the Required Retention Period. Such contributions required to be invested in the Delphi Common Stock Fund may not be exchanged until completion of the Required Retention Period. Upon completion of the Required Retention Period, all assets may be exchanged between any of the investment options offered under the Program.

GM TRUST BANK AND GM INVESTMENT MANAGEMENT RESERVE THE RIGHT TO MODIFY OR SUSPEND SUBSCRIPTIONS, REDEMPTIONS, OR EXCHANGES AMONG ANY ONE OR MORE OF THE PROMARK FUNDS AND COMPANY STOCK FUNDS OFFERED UNDER THE PROGRAM, AT ANY TIME, IN RESPONSE TO MARKET CONDITIONS OR OTHERWISE. FURTHERMORE, FIDELITY AND THE OTHER MUTUAL FUND PROVIDERS RESERVE THE RIGHT TO MODIFY OR SUSPEND EXCHANGES AMONG THEIR MUTUAL FUNDS AS DESCRIBED IN THEIR PROSPECTUSES. FIDELITY AND THE OTHER MUTUAL FUND PROVIDERS ALSO RESERVE THE RIGHT, UNDER CIRCUMSTANCES DESCRIBED IN THEIR PROSPECTUSES, TO SUSPEND OR DELAY PURCHASES AND/OR REDEMPTIONS FROM THEIR MUTUAL FUNDS, WHICH MIGHT IN TURN DELAY YOUR EXCHANGES TO OR FROM THE PROMARK FUNDS OR THE COMPANY STOCK FUNDS. NEITHER DELPHI, GMIMCo, GMTB, OR THE OTHER FUND MANAGERS, THE INVESTMENT ADVISORS, NOR THE TRUSTEE SHALL BE RESPONSIBLE FOR ANY ECONOMIC IMPACT (INCLUDING CHANGE IN MARKET VALUE) RESULTING FROM ANY SUCH SUSPENSION OR MODIFICATION.

Except as discussed above, you may exchange assets on any Business Day by processing your exchange via the Delphi Intranet or on the Program's website at www.delphi401k.com or by calling the Investment Service Center at 1-877-389-2374. Your election to exchange assets is irrevocable and will be effective as of the close of business of the NYSE, normally 4:00 p.m. (E.T.) on the Business Day the election is received and confirmed by the Investment Service Center. If your exchange of assets request is received and confirmed after the close of business of the NYSE, normally 4:00 p.m. (E.T.) on any Business Day, or on a weekend or holiday observed by the NYSE, or on a day when subscriptions, redemptions, or

exchanges of your fund have been suspended or restricted, it will become effective on the next Business Day. Your exchange of assets will be processed at the fund's closing price on the Business Day as described above.

LOANS

You may take a loan from your Program account for any reason once each calendar year; however, you cannot borrow that portion of your account attributable to Delphi matching contributions, the 1% Delphi Benefit Contribution, and earnings thereon, subject to the Required Retention Period. If you are a former employee of Delphi, or the surviving spouse of a Program Participant who has retained assets in the Program, you may also take a loan from your account. You may not have more than five loans outstanding at any one time. Loans must be for at least \$1,000 and in whole dollars. You may not have at any time loans outstanding exceeding the maximum of \$50,000. You may apply for a loan for an amount which is the lesser of \$50,000 (less the highest amount of loans you had outstanding during the prior 12 months) or one-half of the Current Market Value of your total vested Program assets. Furthermore, while you remain actively employed by Delphi the maximum amount available for a loan will be reduced by an amount equal to the outstanding principal, including accrued interest, of any loan defaulted after December 31, 2003, and deemed to be a distribution (as described in the last paragraph of this "Loan" section). However, as an active employee of Delphi you may repay a loan after it has been declared a deemed distribution, thus eliminating the restriction on the amount available for any subsequent loan.

The effective date of your loan will be the Business Day on which your loan request is received by the Investment Service Center; provided that your request is received and confirmed before the close of business of the NYSE, normally 4:00 p.m. (E.T.). If your loan request is received and confirmed after the close of business of the NYSE, or on a weekend or holiday observed by the NYSE, or on a day when loans from your fund have been suspended or restricted, your loan will be effective on the next Business Day. Your loan request is irrevocable as of the close of business of the NYSE on the Business Day such request is received and confirmed by the Investment Service Center.

Within the following guidelines, you choose the term of your loan. It may be for any amount of time (in six-month periods) between six months and five years (ten years if the loan is for the purchase or construction of your principal home). However, you may not choose a loan term which would result in monthly payments of less than \$50. You will pay interest on your loan at a rate equal to the Prime Rate (which for purposes of the Program is the interest rate reported as the "Prime Rate" in the Eastern Edition of The Wall Street Journal in its general guide to money rates) that exists on the last Business Day of the calendar quarter immediately before the date your loan

request is received by the Investment Service Center. The interest rate remains fixed for the term of your loan.

Funds for your loan will be obtained by selling eligible assets from your Program account, (1) as you may elect from specific investment options in which you have assets, or (2) pro rata from each investment option in which you have assets, as determined by a hierarchy pre-established by the Administrator and contained in the "Complete Text." You will receive no future dividends, interest, or capital gains on any assets sold to obtain funds for your loan.

You will repay any loan through after-tax payroll deductions, except (1) if you are an active employee of Delphi repayment of a defaulted loan after it has been declared a deemed distribution will be through payments made directly by you to the Investment Service Center, or (2) if you are no longer an active employee of Delphi or you are the surviving spouse of a Program Participant, repayment of a loan is through monthly installment payments. You may prepay all, or part, of a loan at any time without penalty.

When you make payments on your loan(s), the money will be invested in the same investment option(s) selected by you for your current discretionary contributions. However, if you are no longer an active employee your loan repayments will be invested according to your last discretionary contribution investment election on file with the Investment Service Center. For some, this election has been on file since you last contributed to the Program and may not reflect your current investment desires. To change your discretionary contribution investment election you may make your change on the Program's website at www.delphi401k.com or call the Investment Service Center at 1-877-389-2374. If you have no discretionary contribution investment election on file, or your last election on file is for a fund that no longer accepts new contributions, any loan repayments you make will be invested in the Promark Income Fund until you make an election. Additionally, any loans obtained from assets still subject to the Required Retention Period must be repaid into the same investment option that you have selected for your current contributions required to be invested in the Delphi Common Stock Fund.

If you have an outstanding loan and are placed on an unpaid leave of absence from Delphi, you may (1) make monthly payments equal in value to the payments deducted previously from your paycheck, or (2) suspend loan repayments for a period of up to 12 months. However, you can never extend a loan beyond the applicable maximum loan term of five (or ten) years, except for military service.

If you have an outstanding loan at the time of your retirement or termination of employment with Delphi and request a total distribution of all your Program assets, you will be deemed to have elected a distribution of all assets including the remaining outstanding balance of the loan (including interest). If, at the time of your retirement or termination of employment with Delphi, you elect to leave all your assets in

the Program, you may make monthly installment payments or make a lump-sum cash payment equal to the remaining outstanding balance of the loan, including interest.

In the event you fail to make a required loan payment and such failure continues beyond the last day of the calendar quarter following the calendar quarter in which the required payment was due, then the loan shall be declared to be defaulted and you shall be irrevocably deemed to have received a distribution of assets in an amount equal to the remaining outstanding principal and accrued interest on the loan, calculated to the date of such deemed distribution. Prior to your outstanding loan being declared to be defaulted, you will be sent a notice of your failure to pay, and you will be provided a repayment opportunity unless the failure to repay is as the result of your having declared bankruptcy. There may be adverse tax consequences if you default on an outstanding loan. See "Tax Considerations" for additional information.

Electronic Loan Payment

In the first half of 2004 the Electronic Loan Payment service will be offered. This service allows you to make loan payments electronically by transferring funds from your personal bank account to your S-SPP account. You may use the service to make partial payments and full payoffs; inactive participants may use it as an alternative to loan coupons. The Electronic Loan Payment service has been referred to by several names including ACH, EFT and Direct Debit. All refer to a service that enables you to make loan payments electronically by authorizing Fidelity to debit your checking or savings account and deposit the funds into your S-SPP account. To take advantage of this convenient repayment method, log on to www.delphi.401k.com, click on the "Accounts" tab and from the left hand menu select "Loans" under "Account Management", from there click on the "Bank Information" tab in the upper right corner of the page. Or you may call the Investment Service Center at 1-877-389-2374.

WITHDRAWALS AND DISTRIBUTIONS

During the Required Retention Period

You may withdraw all Regular Assets (assets purchased with Regular Savings and earnings thereon). You may withdraw Deferred Savings only as described in the section below entitled "Deferred Savings." You may not withdraw Delphi matching contributions, the 1% Delphi Benefit Contribution, or earnings thereon until completion of the Required Retention Period. **GM INVESTMENT MANAGEMENT AND GM TRUST BANK RESERVE THE RIGHT TO MODIFY OR SUSPEND TEMPORARILY THE RIGHT TO EFFECT WITHDRAWALS AT ANY TIME IN RESPONSE TO MARKET CONDITIONS OR OTHERWISE. NEITHER DELPHI, GM INVESTMENT MANAGEMENT, GM TRUST BANK, THE FUND MANAGERS, THE INVESTMENT ADVISORS, NOR THE TRUSTEE SHALL BE RESPONSIBLE**

FOR ANY ECONOMIC IMPACT (INCLUDING CHANGE IN MARKET VALUE) RESULTING FROM ANY SUCH SUSPENSION OR MODIFICATION.

Before you may withdraw Regular Assets attributable to Basic Savings required to be invested in the Delphi Common Stock Fund during the Required Retention Period, all Regular Assets attributable to your Additional Savings, and the portion of your Basic Savings not subject to the Required Retention Period, must first be withdrawn. Thereafter, you may withdraw all Regular Assets attributable to Basic Savings required to be invested in the Delphi Common Stock Fund.

If you withdraw Regular Assets or Deferred Savings, you will not forfeit any non-vested Delphi matching contributions, the 1% Delphi Benefit Contribution, or earnings thereon.

The effective date of your withdrawal will be the Business Day on which your withdrawal request is received by the Investment Service Center, if such request is received and confirmed before the close of business of the NYSE, normally 4:00 p.m. (E.T.). A withdrawal request received and confirmed after the close of business of the NYSE, or on a weekend or holiday observed by the NYSE, or on a day when withdrawals from your fund(s) have been suspended or restricted, will become effective on the next Business Day. Your election to withdraw assets is irrevocable as of the close of business of the NYSE on the Business Day your election is received and confirmed by the Investment Service Center. See "Tax Considerations" for a discussion of the tax effects if you elect to take a withdrawal.

Following Completion of the Required Retention Period

Your assets held until completion of the Required Retention Period are retained in the Program until you terminate employment or until such time as you withdraw them. At any time following completion of the Required Retention Period you may withdraw all, or any part, of the Unrestricted Regular Assets and Unrestricted Delphi contributions and earnings thereon in your account. You may withdraw Unrestricted Deferred Savings only as described in the section below entitled "Deferred Savings."

The effective date of your withdrawal is the Business Day on which your withdrawal request is received by the Investment Service Center, provided such request is received and confirmed before the close of business of the NYSE, normally 4:00 p.m. (E.T.). A withdrawal request received and confirmed after the close of business of the NYSE, or on a weekend or holiday observed by the NYSE, or on a day when withdrawals from your fund(s) have been suspended or restricted, is effective on the next Business Day. Your election to withdraw assets is irrevocable as of the close of business of the NYSE on the Business Day your election is received and confirmed by the Investment Service Center. See "Tax Considerations" for a discussion of the tax effects if you elect to take a withdrawal.

Deferred Savings

If you are under the age of 59½, you may not withdraw Deferred Savings until all other assets have been withdrawn from your account. If, after you have withdrawn all non-Deferred Savings, you then encounter a "Financial Hardship" (as described below), you may withdraw Deferred Savings, provided you have previously taken all available asset distributions, withdrawals, and loans available under all applicable plans maintained by Delphi. The amount of assets that you may withdraw for a Financial Hardship is limited to the lesser of (1) the total amount of Deferred Savings in your account, or (2) the amount required to meet the Financial Hardship (including expenses to cover anticipated taxes and early withdrawal penalties). You may not withdraw earnings on Deferred Savings for a Financial Hardship. If you withdraw assets because of Financial Hardship, you will be suspended from participating in the Program and all other applicable plans maintained by Delphi for a period of 12 months from the date of the Financial Hardship withdrawal. In addition, during the succeeding Plan Year, your Deferred Savings contributions will be limited to the maximum allowed deferral (e.g., \$13,000 for 2004) minus any amount which had been deferred in the Plan Year in which the Financial Hardship withdrawal occurred.

The term "Financial Hardship" means a reason given by you when you apply for withdrawal of Deferred Savings before age 59½ which indicates that your withdrawal is (1) necessary to meet your immediate and substantial financial needs, (2) for an amount required to meet the immediate financial needs created by the hardship, and (3) the amount is not reasonably available from your other resources. You may increase the amount of the withdrawal to cover your anticipated taxes and early withdrawal penalties. The reason for your Financial Hardship must be permitted under Internal Revenue Service regulations and rulings. Financial Hardship is currently limited to: (1) your purchase or construction of a principal residence; (2) your payment to prevent foreclosure on your principal residence or to prevent eviction from such residence; (3) your payment of tuition for the next 12 months of post-secondary education for yourself, your spouse, or your dependent(s); (4) your payment of medical expenses previously incurred or necessary to obtain medical care for yourself, your spouse, or your dependent(s); or (5) any other reason permitted under IRS rulings and notices.

If the amount of assets you withdraw is less than the total amount of Deferred Savings, excluding earnings, in your account, the withdrawal shall be made first of Deferred Savings in your account of Unrestricted classes and then of Deferred Savings in your account which are subject to the Required Retention Period.

If you are age 59½ or older, you may withdraw Deferred Savings and earnings thereon on the same basis as Regular Asset withdrawals previously described.

Dividends

You may choose to have all, or 50%, of the dividends on your assets in the Delphi Common Stock Fund reinvested in the Fund or have all, or 50%, of the cash dividends mailed to your address of record. Your choice applies to dividends paid on Delphi common stock purchased by you and through Delphi's contributions. Once you make your election with the Investment Service Center, it remains in effect until you change your election. Your election in effect as of 4:00 p.m. (E.T.) on the last Business Day before the dividend payment date determines how your dividends will be paid. If you do not choose to have cash dividends mailed to you, the dividends will be reinvested in the Delphi Common Stock Fund.

Subject to Delphi's financial results and action by the Delphi Board of Directors, Delphi currently pays dividends once each quarter (generally on the dividend payment date).

Termination of Employment

If you terminate employment from Delphi for any reason, you may continue to leave all assets credited to your account in the Program. Any assets remaining in your account after you are age 70½ are subject to federal minimum annual distribution requirements.

Even if you have terminated employment with Delphi, as long as you have assets in the Program you may (1) exchange assets among the various investment funds and (2) borrow against your assets pursuant to the provisions of the Program. Additionally, you may elect to withdraw all, or part, of the assets in your account at any time. The Date of Valuation for your withdrawal is the Business Day on which your withdrawal request is received by the Investment Service Center as long as such request is received and confirmed before the close of business of the NYSE, normally 4:00 p.m. (E.T.). If your request is received and confirmed after the close of business of the NYSE, or on a weekend or holiday observed by the NYSE, or on a day when redemptions from your fund(s) have been suspended or restricted, your Date of Valuation will be on the next Business Day. Your election to withdraw assets will become irrevocable as of the close of business of the NYSE on the Business Day your election is received and confirmed by the Investment Service Center.

In addition to any partial withdrawals, you may elect a distribution of assets in your account in the form of installment payments.

- (1) You may elect installment payments on a monthly, quarterly, semi-annual, or annual basis.
- (2) Installments are to be in whole dollar amounts, with \$1,200 as the minimum annual installment amount.
- (3) The amount elected for installment payments are obtained pro rata from each fund in your account in the following order: (i) assets obtained with Regular Savings until exhausted, and (ii) assets obtained with

rollover contributions, Delphi contributions, and Deferred Savings.

- (4) You may change the timing, amount, or discontinue installment payments at any time. You may continue to make asset exchanges during the period installment payments are in effect.
- (5) Except as provided in paragraph (6) below, if you choose installment payments, they will commence the first of the month following the month in which your request for such payment is received by the Investment Service Center.
- (6) For installment payment purposes, your assets are valued as of the first day of the month for any monthly, quarterly, semi-annual, or annual installment payment or if such date is not a Business Day, the installment payment is valued on the prior Business Day.
- (7) If, at the time of your death, you have an installment payment election in effect such installments will continue until your spousal beneficiary elects otherwise.

If you were hired before November 1, 1998, and retire under any Delphi retirement program or pension plan maintained within the Delphi controlled group of corporations, you may choose to receive an annuity contract to be purchased by the Trustee in lieu of all the assets in your account. If you choose this option and are married, your vested account balance will be paid in the form of a qualified joint and survivor annuity, unless you elect to waive this form of annuity by obtaining your spouse's consent in accordance with the provisions set forth in the Complete Text. If you are unmarried and choose this option, you will have your vested account balance paid in the form of a single life annuity.

If, at the time of your termination of employment from Delphi, the value of your vested assets is not greater than \$5,000, you will receive a distribution of the entire amount of such assets not later than 60 days following the month in which your termination of employment from Delphi occurs.

If you terminate employment with less than three years of service at the Effective Date of Termination, any Delphi contributions and earnings thereon not vested are forfeited. The term "Effective Date of Termination" means the Business Day, or if after 4:00 p.m. (E.T.), the next Business Day following your termination of salaried employment with Delphi as determined by Delphi.

If, after you have terminated employment, you again become eligible to participate in the Program, you may have any forfeited Delphi contributions related to the termination restored, provided your number of consecutive one-year breaks in service following termination is less than five years. This can be accomplished through the repayment to the Program of the full amount of any distribution you received upon termination or, if no distribution of your assets occurred, upon appropriate request to the

Investment Service Center for such restoration. Any such repayment must be made before the earlier of five years after you are re-employed, or when you incur five consecutive one-year breaks in service following the date of the distribution. The amount repaid is deemed to be Regular Savings and vests immediately. Any restored Delphi contributions that were not vested on the date of your termination of employment with Delphi vest in accordance with the Program provisions.

Upon Your Death

Upon your death, all vested assets in your account are distributed in accordance with your beneficiary designation (see "Miscellaneous, Designation of Beneficiaries"). Your beneficiary may elect to receive cash-in-lieu of shares equivalent in value to the assets invested in the Delphi Common Stock Fund, the General Motors \$1-2/3 Par Value Common Stock Fund, the Hughes Common Stock Fund, the News Corporation Preferred ADS Fund, the EDS Common Stock Fund, or the Raytheon Company Common Stock Fund in your account, based on the Current Market Value of such Funds on the Date of Valuation. The Date of Valuation is the Effective Date of Withdrawal. For this purpose, the Effective Date of Withdrawal is the Business Day on which the Program Recordkeeper, currently Fidelity, determines the appropriate beneficiary, or beneficiaries, and is in receipt of all the necessary information and directions to process the settlement.

Your spousal beneficiary may elect to keep your account assets in the Program after your death. Your surviving spouse may elect subsequently to receive the assets in a lump sum at any time. While the assets remain in the Program your surviving spouse may (1) exchange assets among the various investment options offered under the Program (see "Fund Exchanges" for a description of the rules), (2) elect partial distributions, (3) elect to receive installment payments, (4) file with the Investment Service Center a written designation of a beneficiary or beneficiaries on a form provided by the Investment Service Center and (5) initiate a loan from the Program. Your surviving spouse may not make any new contributions to the Program.

Attainment of Age 70%

If you have terminated employment from Delphi and have not withdrawn all assets in your account by the end of the year in which you attain age 70½, and the amount withdrawn for the year in which you attain age 70½ is less than the legally required minimum annual distribution amount, the minimum annual distribution amount will be determined consistent with prevailing Federal regulations and paid to you from your account assets beginning not later than April 1 of the year following your attaining age 70½. The cumulative amount of any voluntary installment payments and partial withdrawals taken by you during the calendar year will first be used to satisfy the legally required minimum annual distribution amount applicable for such year. You are required to receive only

the difference between the amount paid to you during the year and the legally required minimum amount applicable for such year.

If you attained age 70½ prior to January 1, 1997, and you have not terminated employment from Delphi, the legally required minimum annual distribution of assets in your account will begin not later than April 1 of the year following your attaining age 70½ and will be made annually thereafter. However, you can choose to discontinue such minimum annual distributions while you continue employment at Delphi. If you choose to discontinue minimum annual distributions, such annual distributions will begin upon your termination of employment from Delphi and will be made according to Federal regulations.

If you attained age 70½ on or after January 1, 1997, and you have not terminated employment from Delphi, required minimum annual distributions will begin following your termination of employment from Delphi.

If you die and your spousal beneficiary elects to keep your account assets in the Program, your surviving spouse will be deemed to have attained age 70½ on the date you would have attained such age. If your surviving spouse has not withdrawn all the account assets by the date you would have attained age 70½, legally required minimum annual distributions will begin to be paid to your spouse from the account.

Undeliverable Assets

In the event a distribution of assets to you or your beneficiary cannot be made because the identity or location of you or your beneficiary cannot be determined after reasonable efforts, and if your assets remain undistributed for a period of one year from the processing date, the undistributed assets will be returned to the Program and liquidated. All liability for payment of your undistributed assets will then terminate; provided, however, in the event the identity or location of you or your beneficiary is later determined, the value of the assets at the Date of Valuation will be paid from the Program to you or your beneficiary in a single sum. No interest will be paid on your assets after such Date of Valuation. Any assets so liquidated and not eventually paid to you or your beneficiary will be applied to reduce Corporation contributions and/or administration expenses.

TAX CONSIDERATIONS

General

The Internal Revenue Service has determined that the Program is a tax-qualified employee benefit plan meeting the requirements of the Code and that the trust established thereunder is exempt from United States Federal income taxes.

The following comments are based on the current Code and on currently available information regarding the policies of the Internal Revenue Service. Inasmuch as the terms of the Program and the rules contained in the applicable provi-

sions of the Code affecting the Program are quite technical, the following statements are necessarily only very general in nature. Statutory provisions are, of course, subject to change, and their application may vary in individual circumstances. It is recommended that you discuss individual tax matters regarding the U.S. Federal, state and foreign tax aspects of participation in the Program with a tax advisor.

Contributions to Program

United States Federal income tax consequences can have an important bearing on your decision as to whether to participate in the Deferred Savings and/or the after-tax Regular Savings features of the Program. Deferred Savings contributions reduce your income currently subject to Federal income taxes but are subject to such taxes when withdrawn or distributed. Regular Savings contributions do not reduce your income currently taxable and are taxed under special rules when withdrawn or distributed (see "Withdrawals and Distributions While Employed by Delphi" for a description of the rules). Delphi matching contributions, the 1% Delphi Benefit Contribution, the contribution of an Incentive Compensation Program Payout, the contribution of a Flexible Compensation Payment made on a before-tax basis, as well as earnings credited to your account, are not subject to Federal income taxes prior to distribution or withdrawal. If you are age 50 or older by the end of 2004, you may be eligible to make additional before-tax Catch-Up contributions of up to \$3,000 in the year 2004.

Contribution Limitations

The total annual amount of Deferred Savings contributions you may make to the Program (or similar type plan) is limited to \$13,000 during 2004. This amount may be periodically adjusted for subsequent calendar years, as provided by law. Your after-tax Regular Savings contributions are not taken into account for this limitation; however, the limitations described below may apply to such contributions. If you are a "highly compensated" employee (generally an employee earning more than \$90,000 in 2003, as indexed for inflation under law) participating in the Program, your Deferred Savings contributions may be limited to comply with Federal income tax law requirements. If you are a "highly compensated" employee who chooses to participate in the Deferred Savings feature of the Program you will be subject to limitation testing and may have your contribution percentage reduced below the level you chose, depending upon the level of contributions made by other employees. Deferred Savings contributions invested in the Delphi Common Stock Fund are separately subject to the limitation testing. If you are affected, your contributions will be reduced and you will be notified as soon as possible.

Regular Savings contributions and Delphi matching contributions invested in the Delphi Common Stock Fund are each separately subject to the limitation testing on your contribution percentage mentioned above. Similarly, Regular Savings contributions not invested in the Delphi Common Stock Fund are separately subject to the limitation

testing. If you are a "highly compensated" employee, your Regular Savings contributions and/or Delphi matching contributions may be limited to comply with Federal income tax law requirements, depending upon the level of contributions made by other employees. If you are affected, your contributions will be reduced and you will be notified as soon as possible.

In addition, your contributions may be limited under other Federal tax law provisions. First, the amount of your eligible compensation that may be taken into account under the Program is limited to \$205,000 in 2004. This limit may be adjusted periodically for subsequent years as provided for by law. Second, the amount of annual contributions to Delphi's tax-qualified retirement plans is limited to \$41,000. The sum of the following contributions are subject to this limit: (1) your Deferred Savings contributions (including Incentive Compensation Plan Program payout contributions), (2) your Regular Savings contributions, (3) Delphi matching contributions, (4) Delphi contributions that are not matching contributions, (5) your contributions to Part B of the Salaried Retirement Program, and (6) Flex Payment contributions. In the event you are not age 50 and your contributions exceed these limitations, any amount in excess of these limitations will be returned to you.

If you are age 50 or over by the end of 2004, you may be eligible to make up to an additional \$3,000 of "Catch-Up" contributions in 2004 provided your contributions have reached specific Program limits. The limitations above for which Catch-Up contributions may be made include the \$13,000 limit on before-tax contributions, the limitations on highly compensated employees described above, the \$41,000 limitation on annual contributions, the 60% of your eligible salary limit on Program contributions, and the maximum annual compensation limit of \$205,000. In order to be eligible to make Catch-Up contribution elections, a participant must maximize their matchable Basic Savings rate (currently 7% before-tax or after-tax) as well as meet plan and age requirements.

The Internal Revenue Service has determined that Deferred Savings contributions may be included as "compensation" under a pension plan like Delphi's Salaried Retirement Program. Therefore, Delphi does not reduce contributions and benefits under Delphi's Salaried Retirement Program by reason of your election to make Deferred Savings contributions under this Program.

Deferred Savings

Your Deferred Savings contributions represent (1) contributions in lieu of an Incentive Compensation Program Payout, (2) contributions in lieu of a Flexible Compensation Payment, and/or (3) contributions, including Catch-Up contributions, through a salary reduction arrangement, all in accordance with Section 401(k) of the Code. This has the effect of reducing your current income subject to federal income taxes. Deferred Savings contributions are subject to Social Security taxes. As a result, participation in the

Deferred Savings feature of the Program does not cause a reduction in earnings subject to Social Security taxes. Deferred Savings contributions are subject to more restrictive withdrawal requirements than after-tax Regular Savings contributions. A description of these restrictions appears under "Withdrawals and Distributions of Deferred Savings."

Withdrawals and Distributions of Deferred Savings

Under federal income tax law, your before-tax Deferred Savings may not be withdrawn or distributed earlier than upon the occurrence of one of the following events: (1) you attain age 59½, retire, die, become disabled, separate from employment, or incur a "Financial Hardship," (2) termination of the Program. During your active employment with Delphi, withdrawals are permitted any time after you attain age 59½, or for a Financial Hardship that is covered under the terms of the Program.

Withdrawals and distributions of Deferred Savings are taxable, and a 10% additional tax may apply to you if you are under age 59½ when you make such withdrawals and distributions.

Regular Savings

Your Regular Savings represent after-tax contributions to the Program. See the following discussion for more details concerning distributions and withdrawals of Regular Savings.

Withdrawals and Distributions While Employed by Delphi

Under certain circumstances and as described below, you may incur federal income tax and a 10% additional tax at the time of receipt of a withdrawal or distribution of the assets in your account.

If you make a withdrawal of Regular Savings, Delphi matching contributions, or the 1% Delphi Benefit Contribution while still employed by Delphi and the lump-sum treatment referred to in the following section is not applicable, all or a portion of the withdrawal may be taxable at ordinary income rates and a 10% additional tax may apply. For this purpose, Delphi common stock attributable to Delphi matching contributions and/or the 1% Delphi Benefit Contribution and all earnings thereon are valued at the market price on the delivery date, while the Delphi common stock attributable to your Regular Savings contributions is valued at the lower of cost to the Trustee or market price on the delivery date.

A 10% additional early distribution tax will be imposed on the taxable amount of Program distributions or withdrawals made by you if you are under age 59½. The additional tax does not apply to a tax-free rollover or direct rollover to an Individual Retirement Account ("IRA") or another employer's qualified plan. Also, the tax does not apply if you (1) retire during or after the calendar year in which you attain age 55, (2) use the money for payment of deductible medical expenses, (3) take a Program distribution or withdrawal under the requirements of a

"qualified domestic relations order," (4) receive a distribution on account of death, disability, or a federal tax levy, or (5) terminate employment and receive a series of substantially equal periodic payments, at least annually, made for your life or the joint lives of you and your beneficiary and such payments continue for five years or until you attain age 59½, whichever is later.

For distributions taken after 1986, the basis recovery rules by which you recover your after-tax contributions from the Program have been modified. The amount of your remaining after-tax contributions as of December 31, 1986 (if any) may be recovered tax-free at any time. Thereafter, amounts will be distributed from (1) your post-1986 after-tax contributions and all earnings thereon (taxable only to the extent the distribution represents a pro-rate return of earnings), and/or (2) Delphi matching contributions, the 1% Delphi Benefit Contribution, and all your before-tax contributions and earnings thereon (fully taxable).

Withdrawals and Distributions Upon Retirement or Other Termination of Employment

Your taxable income on a distribution is equal to the excess of the value of the distribution above your after-tax contributions under the Program not previously distributed. For this purpose, the value of Delphi common stock is determined at the lower of cost to the Trustee or market price on the delivery date.

If you were at least age 50 on January 1, 1986, special averaging rules may apply after January 1, 2000. Under these special averaging rules, you may make a one-time election at any age to use capital gains treatment and/or ten-year income averaging under 1986 income tax rates.

If you receive a withdrawal or distribution, you can accomplish a tax-free rollover into a traditional IRA or another eligible retirement plan, or elect a direct rollover to a traditional IRA or another eligible retirement plan, and thereby postpone receipt of taxable income until distributions are received from the IRA or the other plan. An "eligible retirement plan" includes a plan qualified under Section 401(a) of the Code, including a 401(k) plan, profit sharing plan, defined benefit plan, stock bonus plan, and money purchase plan; a Section 403(a) annuity plan; a Section 403(b) tax sheltered annuity; and an eligible Section 457(b) plan maintained by a governmental employer. A tax-free rollover must be made normally within 60 days after you receive the distribution. Both the taxable and nontaxable (after-tax contributions) amounts of a distribution may be rolled over. Any taxable amount rolled over into a traditional IRA is taxable as ordinary income when payment is subsequently made under the IRA. Deferred Savings are considered employer contributions and may be rolled over; however, a Financial Hardship withdrawal of Deferred Savings cannot be rolled over. If you rollover less than the total taxable amount of a lump-sum distribution, the remaining taxable amount is

considered ordinary income. If you are interested in making a tax-free or direct rollover, you should plan such rollover in advance with your investment, tax, or legal advisors. You are responsible for making your own arrangements and determining the applicability of these rules to your particular situation. If you are considering a tax-free rollover or a direct rollover, you should refer to the section entitled "Rules on Income Tax Withholding and Direct Rollovers" for important information related to the 20% Federal income tax withholding rules and the direct rollover rules.

If you are retiring or terminating employment with Delphi, you may continue to defer the distribution of all assets in your account until April 1 of the year following the year in which you attain age 70½ (the time minimum annual distributions must commence for a retired or terminated participant).

Loans

If you are an active employee and you default on a loan, a deemed distribution will occur in the amount equal to the remaining outstanding loan balance (including interest), and will result in a taxable distribution if the deemed distribution includes amounts other than amounts attributable to your after-tax contributions. In addition, should the default occur before you reach age 59½, the 10% additional early distribution tax may apply. You will be provided the opportunity to repay the defaulted loan, and to the extent you repay an amount attributable to after-tax contributions, your tax basis in the Program will increase, thereby reducing the taxable amount of future distributions.

If you are a former employee (retired or separated) and you default on a loan, an actual distribution to you will be considered to have been made equal to the remaining outstanding loan balance (including interest). This will result in a taxable distribution equal to the excess of the value of the distribution above your after-tax contributions under the Program not previously distributed. You will not be permitted to repay your defaulted loan.

Consumer interest paid on Program loans is not deductible for tax purposes.

Dividends

If you choose to receive cash dividend payments from the Delphi Common Stock Fund such dividends are taxable income when received. However, under current tax law, the cash dividend payments are not subject to the 10% additional early distribution tax that is usually imposed on certain withdrawals or distributions made from the Program before you reach age 59½. Cash dividend payments cannot be rolled over to an IRA or another eligible retirement plan. If you have not made an election, dividends will automatically be reinvested in the Delphi Common Stock Fund.

Rules on Income Tax Withholding and Direct Rollovers

Federal income tax is withheld at a mandatory rate of 20% on the taxable amount of withdrawals and distributions that are eligible to be, but are not, directly rolled over at your direction into a traditional IRA or another eligible retirement plan.

A withdrawal of Deferred Savings for a Financial Hardship is not eligible to be rolled over to a traditional IRA or another eligible retirement plan. As a result, such withdrawal is not subject to mandatory 20% withholding.

Current rollover rules permit a "direct rollover" which allows for the taxable and non-taxable amounts of withdrawals and distributions to be rolled over directly into a traditional IRA or another eligible retirement plan except (a) required minimum annual distributions after age 70½, (b) substantially equal installment payments that are payable for ten or more years, and (c) a hardship withdrawal. You can make an irrevocable election to have all or any taxable or non-taxable portion of a withdrawal or distribution from the Program paid in a direct rollover to a traditional IRA or another eligible retirement plan. Any such withdrawal or distribution that is paid directly to a traditional IRA, or another eligible retirement plan in a direct rollover, is exempt from the 20% Federal income tax withholding requirement. Further, the taxable portion of minimum annual distributions, hardship withdrawals, and installment payments described above are subject to Federal income tax withholding unless you affirmatively elect not to have withholding apply to the distribution. In these cases, absent such an election, Delphi withholds Federal income tax on the estimated taxable amount of the distribution.

Miscellaneous

Each person realizing taxable income from making a withdrawal or distribution from the Program or from the sale of Delphi common stock, General Motors \$1-2/3 Par Value common stock, Hughes common stock, News Corporation Preferred ADSs, EDS common stock, or Raytheon common stock received from the Program, is individually responsible for filing appropriate income tax returns and declarations of estimated tax and for payment of taxes as required by law. You can find more specific information on the tax treatment of payments from a qualified employer plan in IRS Publication 575, Pension and Annuity Income, and IRS Publication 590, Individual Retirement Arrangements. These publications are available from your local IRS office, on the IRS's website at www.irs.gov, or by calling 1-800-TAX-FORM.

For state and local income tax purposes, the tax treatment of the Program may differ from the Federal income tax treatment described above. Accordingly, the Federal tax rules may not apply for state and local tax purposes. You should consult your tax advisor in this matter.

SOURCE OF DELPHI COMMON STOCK ACQUIRED FOR THE PROGRAM

Delphi common stock acquired by State Street Bank and Trust Company as commingled Fund Manager may be obtained by purchases on the open market or obtained from Delphi or others by subscription or purchase. Employee contributions, Delphi contributions, loan repayments, rollover contributions, and exchanges are used to purchase units in the Delphi Common Stock Fund and are based on the unit value determined by State Street Bank and Trust Company as commingled Fund Manager at the close of business on the day the transaction is reconciled.

EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED

The Program is subject to certain parts of The Employee Retirement Income Security Act of 1974, as amended (ERISA). In addition, the Program is subject to various provisions of the Code.

VOTING OR TENDERING OF DELPHI COMMON STOCK, GENERAL MOTORS \$1 2/3 PAR VALUE COMMON STOCK, HUGHES COMMON STOCK, EDS COMMON STOCK, AND RAYTHEON COMPANY COMMON STOCK

To the extent it is consistent with ERISA and the Code, State Street Bank and Trust Company as commingled Fund Manager will vote or tender shares equivalent to the current value of your assets invested in Delphi common stock, General Motors \$1-2/3 Par Value common stock, Hughes common stock, EDS common stock, and Raytheon common stock, in accordance with your directions. The Trustee will not inform the Corporation of your voting or tendering decisions.

Before each respective stockholder meeting, you will be contacted by mail and asked for directions on how to vote shares equivalent to the current value of your investment in Delphi common stock, General Motors \$1-2/3 Par Value common stock, Hughes common stock, EDS common stock, and Raytheon common stock. You may specify your directions by the Internet or the telephone or by completing and returning the proxy/voting instruction card that will be provided to you by mail. Shares of General Motors \$1-2/3 Par Value common stock, EDS common stock, and Raytheon common stock for which you do not provide direction will be voted as determined by State Street Bank and Trust Company as commingled Fund Manager at its direction. Shares of Delphi common stock for which you do not provide direction will be voted by State Street Bank and Trust Company in the same ratio as shares with respect to which instructions were received from other Program participants.

Furthermore, in the event of a tender offer, if you have assets in the Program invested in the Delphi Common Stock Fund,

General Motors \$1-2/3 Par Value Common Stock Fund, Hughes Common Stock Fund, News Corporation Preferred ADS Fund, EDS Common Stock Fund, or Raytheon Common Stock Fund, you may tender the equivalent current value of such assets in your account by providing appropriate direction in a manner prescribed by the relevant corporation at the time of such tender.

SPECIAL PROVISIONS REGARDING VETERANS

If you are rehired following qualified military service (as defined in the Uniformed Services Employment and Re-Employment Rights Act), you are entitled to have Delphi make contributions to the Program from your current earnings that shall be attributable to the period of time contributions were not otherwise allowable due to military service. These contributions are in addition to contributions otherwise permitted under the Program and are made as permitted under the Code. The additional contributions will be based on the amount of eligible salary and Incentive Compensation Program Payouts that you would have received from Delphi during the applicable period of military service. Such contributions must be made during the period that begins upon your re-employment and extends for the lesser of five years or your period of military service multiplied by three.

If you have an outstanding loan(s) during a period of qualified military service, loan payments are suspended during such period, and the time for repayment of such loan(s) is extended for a period of time equal to the period of your qualified military service.

MISCELLANEOUS

Claim Denial Procedures

If you make a claim for benefits under the Program and it has been denied, the Program Administrator (see "Administration") will provide you or your beneficiary in writing of the specific reasons for such denial. You or your beneficiary will then be given an opportunity for a full and fair review of the decision to deny a claim for benefits by filing an appeal with the Employee Benefit Plans Committee (EBPC) of Delphi. The EBPC has been delegated final discretionary authority to construe, interpret, apply, and administer the Program. The written appeal must be filed within 60 days from the date of the Program Administrator's written decision denying a claim for benefits. The appeal must be sent to the Secretary of the EBPC, Delphi Corporation, 5825 Delphi Drive, Mail Code 480-410-104, Troy, Michigan 48098. The written appeal should clearly state why you believe the Program Administrator was wrong in denying your claim for benefits.

When proceeding through the claim denial procedures, you may be represented by an individual whom Delphi determines to be properly authorized to act on your behalf. As part of your appeal, you should present all documents, records, and any other information relating to your claim.

The EBPC is the final review authority with respect to appeals, and its decision is final and binding upon the Corporation, you and your beneficiary. A written decision on the request for review is furnished within 60 days (120 days if special circumstances required an extension of time) after the date the written request is received by the EBPC. You must complete the claim denial procedures before taking legal action, including your right to bring a civil action under Section 502(a) of ERISA. Any suit or other legal action you wish to take must be brought no later than one year following the final decision of the EBPC.

Designation of Beneficiaries

You may file with the Investment Service Center a written designation of a beneficiary or beneficiaries with respect to all or part of your Program assets. If you are married, on your death, the entire balance of your account will be paid to your surviving spouse unless your written designation of beneficiary designating a person(s) other than your spouse with respect to part or all of the assets in your account includes your spouse's written consent, witnessed by a notary public. You may change or revoke the written designation of beneficiary filed with the Investment Service Center at any time (with the consent of your spouse, when necessary). No designation or change of beneficiary is effective until it is determined to be in order by the Investment Service Center, but when so determined, if practicable, it is effective retroactively to the date of the instrument making the designation or change.

If you are unmarried and do not file a written designation of beneficiary or beneficiaries, you are deemed to have designated as beneficiary or beneficiaries under this Program the person or persons designated to receive your Basic Life Insurance proceeds upon your death under Delphi's Life and Disability Benefits Program for Salaried Employees, unless you have assigned such life insurance, in which case the assets in the account will be paid to the assignee. Upon your death, your beneficiary or beneficiaries receive, subject to provisions of the Program, assets in your account in accordance with the applicable designation (see "Upon Your Death" for a more detailed discussion). If Delphi is in doubt as to the right of any beneficiary to receive any such assets, Delphi may deliver such assets to your estate, in which case Delphi does not have any further liability to anyone.

Upon your death, a settlement of all assets in your account will be made to the designated beneficiary or beneficiaries. Your beneficiary or beneficiaries may elect to receive cash-in-lieu of all shares equivalent in value to the assets invested in the Delphi Common Stock Fund, the General Motors \$1-2/3 Par Value Common Stock Fund, Hughes Common Stock Fund, News Corporation Preferred ADS Fund, EDS Common Stock Fund, or Raytheon Common Stock Fund in your account, based on the Current Market Value of such Funds on the Date of Valuation. The Date of Valuation is the Effective Date of Withdrawal, which, for this purpose, means

the day on which the Administrator, or its delegate, determines the appropriate beneficiary or beneficiaries and is in receipt of all necessary information and directions to process the settlement.

Liens Upon and Assignability of Interest

Except for benefits payable pursuant to a Qualified Domestic Relations order, you may not assign or transfer any benefits payable under the Program. In addition, to the extent permitted by law, no such benefits are subject to legal process or attachment for the payment of any claim of any person entitled to receive the same.

Statement of Account

You may now access your S-SPP account statement and quarterly Performance Summary online, 24 hours a day through the Intranet or Internet (www.delphi401k.com). The online statement offers all the same information as the hard copy statement including your personal rate of return. The online statement also adds more flexibility; your account information can be retrieved monthly, quarterly, or for a specific date range. Additionally, the date range can be set to go back as far as 24 months.

If you choose to view your statement online, you will automatically no longer receive a hard copy quarterly statement or quarterly Performance Summary in the mail. After reviewing your statement online, if you wish to receive your hard copy quarterly statement and quarterly performance summary in the mail you may elect to do so online at www.delphi401k.com or by calling the Investment Service Center at 1-877-389-2374.

Changes in Delphi Common Stock, General Motors \$1-2/3 Par Value Common Stock, Hughes Common Stock, News Corp Preferred ADSs, EDS Common Stock, or Raytheon Common Stock

In the event that outstanding shares of Delphi common stock, General Motors \$1-2/3 Par Value common stock, Hughes common stock, News Corp Preferred ADSs, EDS common stock, or Raytheon common stock are changed in number or class by reason of split-ups, spinoffs, combinations, mergers, consolidations, or recapitalizations, or by reason of stock dividends, the number and class of shares which thereafter may be purchased under the Program, in the aggregate, and the number and class of shares then in the trust account and in your Program account will be adjusted so as to reflect such change.

Confidential Information

Many aspects of recordkeeping and transaction processing related to the Program are performed in their entirety by the Investment Service Center. Currently, Fidelity provides the services for the Investment Service Center, and such services are monitored by the Corporation so that sufficient procedures are in place to safeguard the confidentiality of information relating to the purchase, holding, and sale of securities by you and other participants.

Under existing procedures, to participate in the Program, you must establish through the Investment Service Center a confidential personal identification number (or "PIN"). This confidential PIN limits access to your Savings-Stock Purchase Program account to only you. You may, at any time, change your PIN. Moreover, you may only access your own account information and initiate transactions through the Intranet, Internet, or by telephone using your PIN and Social Security number. **YOU SHOULD NOT GIVE ANYONE YOUR PIN. NEITHER DELPHI, GMTB, GMIMCo, THE PROGRAM ADMINISTRATOR, THE PROGRAM RECORDKEEPER, NOR THE PROGRAM WILL BE RESPONSIBLE FOR THE SECURITY OF YOUR ACCOUNT IF YOU DISCLOSE YOUR PIN TO ANYONE ELSE.** In addition, procedures have been established to deactivate your PIN after three consecutive attempts are made to access your Savings-Stock Purchase Program account via the Investment Service Center telephone voice response system or the Internet without a valid PIN.

The Program fiduciary responsible for monitoring compliance with the confidentiality procedures is the Director, Delphi Pension and Welfare Benefit Plans, Employee Benefits, 5825 Delphi Drive, Mail Code 480-410-104, Troy, Michigan 48098.

Additional Information

You may view and print mutual fund prospectuses online at www.delphi401k.com or you may request copies of the mutual fund prospectuses, by calling the Investment Service Center at 1-877-389-2374. If you require additional information about the Program, you should direct your request to: Director, Delphi Pension and Welfare Benefit Plans, Employee Benefits, 5825 Delphi Drive, Mail Code 480-410-104, Troy, Michigan 48098.

Balancing Your Investment Choices

Selecting your S-SPP investment choices means not only choosing the investment options, but also deciding what percentage of your account balance you want in each of the investment options you select.

Portfolio Rebalance is a tool within www.delphi401k.com that allows you to more easily rebalance the asset mix of your account in a single, simple transaction. When you select the Portfolio Rebalance option, you'll be taken to a menu of the investment choices available through the S-SPP, where you can choose what percentage of your account balance you'd like invested in each investment fund.

After making your investment elections, your current fund balances will be rebalanced according to your desired percentages. In other words, your fund balances will automatically be exchanged into or out of the investments in the proportions you've elected. This Portfolio Rebalance feature, however, does not provide on-going automatic rebalancing.

To access Portfolio Rebalance, go to www.delphi401k.com and click on the "Access my Account" tab, log on to your account and click on the "Accounts" tab. Then click on the "Rebalance" link on the left side of the screen.

Keep in mind that the Portfolio Rebalance feature does not affect your future contributions S-SPP account. New contributions made by you into your S-SPP account will continue to be invested based on your designated investment elections and such investment elections will remain in effect until you change them.

You still need to review your S-SPP account periodically because your investment choices may perform differently over time, and your percentages may vary from what you intended.

REFERENCE TO FULL TEXT

The foregoing statements are summaries of certain provisions of the Program. They do not purport to be complete. The "Complete Text" of the Program, which is available to participants upon request, governs all aspects of the Program.

ADMINISTRATION

Except as set forth below, the Executive Committee of the Delphi Board of Directors is the Named Fiduciary with respect to the Program. The Named Fiduciary may delegate authority to carry out such of its responsibilities as it deems proper, to the extent permitted by ERISA.

Except as set forth below, GM Investment Management is the Named Fiduciary of the Program for purposes of investment of Program assets. GM Investment Management may delegate authority to carry out such of its responsibilities as it deems proper, to the extent permitted by ERISA.

Any participant or beneficiary who makes an investment election permitted under the Program, or otherwise exercises control permitted under the Program over the assets in a participant's account, is deemed the "named fiduciary" under ERISA responsible for such decisions to the extent that such designation is permissible under applicable law, and that the investment election or other exercise of control over such account is not protected by Section 404(c) of ERISA, as amended.

Delphi is the Program Administrator. The Program Administrator has discretionary authority to construe, interpret, apply, and administer the Program. The Program Administrator may delegate various aspects of the Program Administration as it deems appropriate.

Various aspects of Program administration have been delegated to the Program Recordkeeper, currently Fidelity. In carrying out its delegated responsibilities, the Program Recordkeeper has discretionary authority to construe, interpret, apply, and administer the Program provisions. The discretionary authority delegated to the Program Recordkeeper is, however, limited to Program terms relevant to its delegated responsibilities and does not permit the Program Recordkeeper to render a determination or make any representation concerning benefits which are not provided by the express terms of the Program. The Program Recordkeeper's actions are given full force and effect unless determined by the Program Administrator to be contrary to the Program provisions or arbitrary and capricious.

The EBPC of Delphi has final discretionary authority to construe, interpret, apply, and administer the Program and serves as the final step of the Program appeal procedure. Any interpretation or determination regarding the Program made by the EBPC are given full force and effect, unless it is proven that the interpretation or determination was arbitrary and capricious.

Delphi reserves the right to amend, modify, suspend, or terminate the Program in whole or in part, at any time, by action of its Board of Directors or other individual or committee expressly authorized by the Board to take such action. No oral statements can change the terms of this Program. This Program can only be amended in writing by Delphi's Board of Directors or an appropriate individual or committee as designated by the Board of Directors. Absent an express delegation of authority from the Board of Directors, no one has the authority to commit Delphi to any benefit or benefit provision not provided for under the Program or to change the eligibility criteria or other provisions of the Program.

It is intended that the Program will constitute a plan described in Section 404(c) of ERISA, and pursuant to such Section 404(c), the fiduciaries of the Program may be relieved of liability for losses resulting from investment instructions given by participants.

The trust established under the Program is administered by State Street Bank and Trust Company, Master Trust Division, One Enterprise Drive, North Quincy, Massachusetts 02171. There is no material relationship other than in the ordinary course of business between State Street Bank and Trust Company and Delphi or Delphi's employees.

LEGAL OPINION

The legality of the Delphi common stock offered by this Prospectus has been passed upon by Diane Kaye, Attorney, Delphi Legal Staff. Ms. Kaye owns shares of Delphi common stock and has options to purchase additional shares of Delphi common stock.

EXPERTS

The consolidated financial statements and financial statement schedules included in the Delphi 2003 Annual Report on Form 10-K have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report appearing therein, and have been so incorporated in reliance upon such report given upon the authority of Deloitte & Touche LLP, as experts in accounting and auditing.

DELPHI

Delphi Investment Service Center
P.O. Box 5424
Cincinnati, OH 45250-5424

